PRC LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

Foreign investment in the PRC made by foreign investors and foreign-invested enterprises shall abide by the Guidance Catalog of Industries for Foreign Investment (《外商投資產業指導目錄》), which was replaced by the Special Administrative Measures for Access of Foreign Investment (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**2024 Negative List**"), and Catalogue of Industries for Encouraging Foreign Investment (2025 version) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraging List**"). The 2024 Negative List sets out special administrative measures in respect of the access of foreign investment and the Encouraging List sets out the encouraged industries for foreign investment. The negative list is subject to review and update by the PRC government from time to time, and the fields that were not included in the negative list shall be regulated according to the principle of equal treatment of domestic and foreign investments.

According to the Negative List, foreign equity share in a value-added telecommunication business shall not exceed 50% (excluding e-commerce, domestic multi-party communication, store-and-forward, and call center). Medical institutions are limited to joint venture. Furthermore, although there is no explicit restriction on insurance broker industry in the Negative List, the Service Guide for Approval of Insurance Brokerage Business License (《保險經紀業務經營許可審批事項服務指南》) published on June 16, 2023 stipulates that a foreign investor holding more than 25% of the shares in an insurance brokerage company is considered a foreign insurance broker and is subject to certain brokerage operation experience requirements.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**"), which came into force on January 1, 2020, further expands the opening up, promotes foreign investment and protects the legitimate rights and interests of foreign investors.

REGULATIONS RELATING TO VALUE-ADDED TELECOMMUNICATION SERVICES

License for Value-added Telecommunications Services

According to the Telecommunication Regulation of the PRC (《中華人民共和國電信條例》), which was enacted on September 25, 2000 and recently amended on February 6, 2016, and the Administrative Measures for the Licensing of Telecommunication Business (《電信業務經營許可管理辦法》) (the "**Telecom Licensing Measures**"), which was promulgated on March 5, 2009, latest amended on July 3, 2017 and took effect on September 1, 2017, the telecommunication business may be operated only after a business permit has been obtained from the telecommunication administrative department according to the law, Telecommunication services are divided into basic telecommunication services and value-added telecommunication services and the Telecommunications services providers are required to obtain operating licenses prior to the commencement of their operations.

Foreign Investment in Valued-Added Telecommunications Business

Foreign direct investment in telecommunications companies in China is governed by the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (《外商投資電信企業管理規定》), which was promulgated by the State Council on December 11, 2001 and amended on September 10, 2008, February 6, 2016 and March 29, 2022 (effective on May 1, 2022). The Regulations for the Administration of Foreign-Invested Telecommunications Enterprises requires foreign-invested value-added telecommunications enterprises in China to be established as sino-foreign equity joint ventures, which the foreign investors may acquire up to 50% of the equity interests of such enterprise.

Internet Information Services

According to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) (the "**Internet Measures**"), which was promulgated by the State Council on September 25, 2000 and amended on December 6, 2024, and became effective on January 20, 2025, internet information services are categorized as either commercial or non-commercial services. The commercial internet information services are subject to a permit system while the non-commercial internet information services to a record-filing system. Entities engaged in providing commercial internet information services shall apply for a license for value-added telecommunication services of internet information services with the competent telecom administrative authority or State Council's department in charge of information industry.

Mobile Internet Applications Information Services

In addition to the Internet Measures above, mobile internet applications are specifically regulated by the Administrative Provisions on Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》) (the "**Mobile Application Administrative Provisions**"), which was promulgated by the Cyberspace Administration of China (the "**CAC**") on June 14, 2022 and took effect on August 1, 2022. Pursuant to the Mobile Application Administrative Provisions, application information service providers shall obtain the relevant qualifications prescribed by laws and regulations, strictly implement their information security management responsibilities and carry out certain duties, including ensuring that the application meets the mandatory requirements of national standards, taking measures to protect users' personal information, demanding minors to use real identity information to register accounts, establishing content review system, disclosing application management rules and signing service agreements with the users.

Furthermore, on December 16, 2016, the Ministry of Industry and Information Technology of the People's Republic of China (the "**MIIT**") promulgated the Interim Measures on the Administration of Pre-Installation and Distribution of Applications for Mobile Smart Terminals (《移動智能終端應用軟件預置和分發管理暫行規定》), which came into force on July 1, 2017, requiring that the internet information service providers must ensure that the content of the application are legal, users' rights are protected, and relevant information of the application are expressed clearly, and the mobile application, as well as its ancillary resource files, configuration files and user data, among others, can be uninstalled by the users on a convenient basis, unless it is a basic function software.

REGULATIONS RELATING TO PHARMACEUTICAL RETAIL INDUSTRY

General Regulations relating to Drugs Operation

In September 1984, the SCNPC promulgated the Drug Administration Law of the PRC (《中華人民共和國藥品管理法》), which was amended in 2001, 2013, 2015 and 2019 respectively to regulate all entities or individuals engaging in research, manufacture, operation, use, supervision and management of drugs within the PRC. According to the Drug Administration Law, no pharmaceutical operation, including pharmaceutical whole sale and pharmaceutical retail business, is permitted without obtaining the Pharmaceutical Operation License. Where the trading of drugs is conducted without a Pharmaceutical Operation License, the illegal incomes by selling drugs shall be confiscated and the local Food and Drug Administration (the "**FDA**", now known as the Medical Products Administration, or the "**MPA**") shall impose the fine ranging from 15 to 30 times of the value of the illegally sold drugs (including sold or unsold drugs). The Implementation Rules for the Drug Administration Law of the PRC (《中華人民共和國藥品管理法實施條例》), was promulgated by the State Council in August 2002 and amended in 2016, 2019, 2024 and 2026, which emphasized the detailed implementation rules of drugs administration.

According to the Measures on Prescription Drugs and OTC Drugs Classification Management (Trial) (《處方藥與非處方藥分類管理辦法(試行)》) and the Interim Provisions on the Circulation of Prescription and OTC Drugs (《處方藥與非處方藥流通管理暫行規定》), which were both promulgated by the State Drug Administration, which was restructured and integrated into the CFDA, and became effective in January 2000, drugs are divided into prescription drugs and over-the-counter drugs, or OTC drugs. For prescription drugs, the dispensing, purchase and use can only be based on the prescription issued by the certified medical practitioner or certified medical assistant practitioner. OTC drugs, on the other hand, can be purchased and used without a prescription and promoted in public upon approval by the relevant governmental authorities. The enterprises distributing prescription drugs and/or OTC drugs are required to obtain the Pharmaceutical Operation License.

Furthermore, according to the Administrative Standard of Pharmaceutical Operating Quality (《藥品經營質量管理規範》), promulgated by the CFDA in April 2000 and amended in 2012, 2015 and 2016 respectively, the pharmaceutical operation enterprises shall take effective quality control measures over the process of procurement, storage, transportation and sale of drugs in order to ensure their quality.

On August 3, 2022, the State Administration for Market Regulation issued the Measures for the Supervision and Administration of Online Drug Sales (《藥品網絡銷售監督管理辦法》), which came into force on December 1, 2022. The Measures set forth the eligibility requirements for pharmacies that sell drugs online, as well as the guidelines for managing each step of online drug sales, including but not limited to the quality control, pharmaceutical services, drug storage and distribution, drug traceability, risk control and information disclosure.

Regulations relating to Pharmacists

On June 18, 2021, the National Medical Products Administration promulgated the Administrative Measures for the Registration of Licensed Pharmacists (《執業藥師註冊管理辦法》), which came into effective on June 18, 2021, and repealed the Interim Administrative Measures for the Registration of Licensed Pharmacists issued by the former State Drug Administration and the Supplementary Opinions on the Interim Administrative Measures for the Registration of Licensed Pharmacists, and several other regulations. The Administrative Measures for the Registration of Licensed Pharmacists shall apply to the registration of licensed pharmacists and related supervision and administration, pursuant to which, a person who holds a Licensed Pharmacist Professional Qualification Certificate of the PRC may practice as a licensed pharmacist only after being registered and having obtained a Licensed Pharmacist Registration Certificate of the PRC.

Regulations relating to Food Operation

In accordance with the Food Safety Law of the PRC (《中華人民共和國食品安全法》), promulgated on February 28, 2009 and latest amended on September 12, 2025, and the Implementation Regulations of the Food Safety Law of the PRC (《中華人民共和國食品安全法實施條例》), issued on July 20, 2009 and latest amended on October 11, 2019, with the purpose of guaranteeing food safety and safe guarding the health and life safety of the public, the PRC sets up a system of the supervision, monitoring and appraisal on the food safety risks, compulsory adoption of food safety standards. To engage in food production, sale or catering services, the business operators shall obtain a license in accordance with the laws and regulations. The Administrative Measures for Food Operation Licensing and Filing (《食品經營許可和備案管理辦法》) promulgated by SAMR on 15 June 2023 further stipulates the requirements and procedures of food operation licensing and filing.

REGULATIONS RELATING TO ONLINE DRUG INFORMATION SERVICES

According to the Measures Regarding the Administration of Drug Information Service over the Internet (《互聯網藥品信息服務管理辦法》), promulgated by CFDA on July 8, 2004 and amended on November 17, 2017, the Internet drug information service refers to the activities of providing medical information (including medical devices) and other services to Internet users through the Internet, and where any website intends to provide Internet drug information services, it shall, prior to applying for an operation permit or record-filing from the State Council's department in charge of information industry or the telecom administrative authority at the provincial level, file an application with the provincial FDA, and shall be subject to the examination and approval thereof for obtaining the qualifications for providing Internet drug information services.

REGULATIONS RELATING TO MEDICAL DEVICES

Operation of Medical Devices

Pursuant to the Measures on the Supervision and Administration of the Business Operations of Medical Devices (《醫療器械經營監督管理辦法》), CFDA shall be responsible for the supervision and administration of nationwide business operations concerning medical devices. Medical devices are divided into three classes depending on the degree of risks of medical devices. Entities engaged in distribution of Class III medical devices shall obtain a medical device operating license and entities engaged in distribution of Class II medical devices shall complete filings with the competent local MPA, while entities engaged in distribution of medical devices of Class I are not required to conduct any filing or obtain any license. In addition, in accordance with Regulations on Supervision and Administration of Medical Devices (《醫療器械監督管理條例》), promulgated by the State Council on 4 January 2000 and lastly amended on 6 December 2024, Class II and Class III medical devices shall be registered with the NMPA or its local branches, while Class I medical devices shall be filed with the competent local MPA. In the event that the business operator in distribution of Class III medical devices without a medical device operating license or the business operator in distribution of Class II or Class III medical devices that are not registered with the NMPA or its local branches, the business operator may be imposed fine or be shut down by the authorities.

Online Sales of Medical Devices

On December 20, 2017, the CFDA promulgated the Administration and Supervision Measures of Online Sales of Medical Devices (《醫療器械網絡銷售監督管理辦法》) (the "**Online Medical Devices Sales Measures**"), which became effective on March 1, 2018. According to the Online Medical Devices Sales Measures, enterprises engaged in online sales of medical devices must be medical device manufacture and operation enterprises with medical devices production licenses or operation licenses or being filed for record in accordance with laws and regulations, unless such licenses or record-filing is not required by laws and regulations. An enterprise engaging in online sale of medical devices through its own website shall obtain an Internet Drug Information Services Qualification License. Either enterprises engaging in online sales of medical devices or enterprises to provide a third-party platform for provision of medical devices online transaction services shall take technical measures to ensure the data and materials of medical devices online sales are authentic, completed and retrospective.

REGULATIONS RELATING TO HEALTHCARE SERVICES

General Policies

According to the Guiding Opinions of the State Council on Actively Propelling the "Internet Plus" Action Plan (《國務院關於積極推進「互聯網+」行動的指導意見》) issued by the State Council on July 1, 2015, the new mode of online medical treatment and public health shall be promoted. It is imperative to develop online medical treatment and public health services based on the internet, support third-party institutions to build the service platforms for sharing medical information such as medical images, health archives, testing reports, electronic medical records and other medical information, and gradually set up the standard system for cross-hospital sharing and exchange of medical data.

In April 2018, the Opinions on Promoting the Development of "Internet Plus Health Care" (《關於促進「互聯網+」醫療健康發展的意見》) issued by the General Office of the State Council encouraged medical institutions to apply the internet and other information technologies to expand the space and content of medical services, developed an online and offline integrated medical service model that covers the whole process of medical service. Internet hospitals under the support of medical institutions shall be allowed. Medical institutions may use internet hospitals as their secondary name and, based on the physical hospitals, use Internet technology to provide safe and appropriate medical services, allowing follow-up online diagnosis for some common diseases and chronic diseases. After acquiring documents on the medical records of patients, physicians shall be allowed to prescribe online for some common diseases and chronic diseases.

On July 17, 2018, the National Health Commission and the National Administration of Traditional Chinese Medicine jointly promulgated three documents, including the Measures for the Administration of Internet Diagnosis and Treatment (Trial) (《互聯網診療管理辦法(試行)》), the Measures for the Administration of Internet Hospitals (Trial) (《互聯網醫院管理辦法(試行)》) and the Specifications for the Administration of Remote Medical Services (Trial) (《遠程醫療服務管理規範(試行)》). Pursuant to the Measures for the Administration of Internet Hospitals (Trial), "internet hospitals" include: (a) internet hospitals as the second name of physical medical institutions, and (b) internet hospitals that are independently established on the support of physical medical institutions.

Internet Hospital

According to the Measures for the Administration of Internet Hospitals (Trial), the PRC implements access management for internet hospitals pursuant to the Administrative Regulations on Medical Institutions (《醫療機構管理條例》) and the Implementation Measures of the Administrative Regulations on Medical Institutions (《醫療機構管理條例實施細則》). Before implementing access for internet hospitals, provincial health administrative departments shall establish provincial internet medical service supervision platforms to connect with information platforms of internet hospitals to achieve real-time supervision. Establishing an internet hospital is governed by the administrative approval process as stipulated in the Measures for the Administration of Internet Hospitals (Trial). According to the Measures for the Administration of Internet Hospitals (Trial), applying for establishing an internet hospital is required to submit an application to the practice registration authority of its supported physical medical institution, and submit the application form, the feasibility study report on the establishment, the address of the supported physical medical institution, and the agreement jointly signed by the applicant and the supported physical medical institution in relation to establishing an internet hospital through cooperation.

In terms of practicing rules on Internet hospitals, the Measures for the Administration of Internet Hospitals (Trial) provides that where a third-party institution jointly establishes an Internet hospital on the support of the physical medical institution, it shall provide the physical medical institution with professional services such as physicians and pharmacists, and information technology support services, and clarify the responsibilities and rights of all parties in respect of medical services, information security, and privacy protection through agreements and contracts. Administrative Regulations on Medical Institutions and Implementation Measures of the Administrative Regulations on Medical Institutions (《醫療機構管理條例實施細則》) set out the regulatory framework for the management and operation of the medical institutions, and the operation of Internet hospitals shall comply with Administrative Regulations on Medical Institutions and Implementation Measures of the Administrative Regulations on Medical Institutions as well.

Medical Institutions

According to the Administrative Regulations on Medical Institutions (《醫療機構管理條例》) (the "**Regulations**"), promulgated by the State Council, effective on September 1, 1994, revised on February 6, 2016 and March 29, 2022, hospitals, health centers, sanatoriums, out-patient departments, clinics, health clinics, health posts (rooms) and first aid stations are medical institutions. The health administrative departments of the local people's governments at or above the county level shall be responsible for the supervision and administration of the medical institutions within their respective administrative regions. The establishment of medical institutions by entities or individuals shall be subject to the examination and approval of the health administrative department of the local people's governments at or above the county level and obtain the written approval for the establishment of medical institutions if required by the relevant provisions of the State Council. Furthermore, according to the Regulations, the practice of medical institutions shall complete the registration and obtain Practicing License for Medical Institution.

Patient Diagnosis Service

According to the Measures for the Administration of Internet Diagnosis and Treatment (Trial), internet diagnosis and treatment activities shall be provided by medical institutions which have obtained a "Practicing License for a Medical Institution", and the Internet-based diagnosis services provided by a medical institution shall be consistent with its diagnosis subjects. Physicians and nurses carrying out internet diagnosis and treatment activities shall be able to be found in the national electronic registration system of physicians and nurses. A medical institution shall conduct electronic real-name verification for the medical staff members carrying out internet diagnosis and treatment activities.

Besides, internet hospitals must inform patients about risks of internet hospitals and obtain their consents for internet diagnosis and treatment.

Management of Prescription and Medical Records

Internet hospitals who provide internet diagnosis and treatment activities shall strictly comply with the Measures for the Administration of Prescriptions (《處方管理辦法》) and other provisions on the administration of prescriptions. Before issuing a prescription online, the physician shall have the patient's medical records and issue a prescription online for the same disease diagnosed after confirming that the patient is specifically diagnosed in a physical medical institution to have a common disease or chronic disease or several common diseases or chronic diseases. The physicians are subject to making prescription recommendations to patients based on treatment standards and drug instructions.

Prescription Outflow

In February 2007, the National Ministry of Health (currently the National Health Commission of the People's Republic of China) promulgated the Measures for the Administration of Prescriptions, stipulating that doctors must use the common name of drugs when prescribing, and shall not restrict the outflow of prescriptions. In April 2016, the General Office of the State Council issued the Notice on Printing and Distributing the Key Tasks of Deepening the Reform of the Medical and Health System in 2016 (《關於印發深化醫藥衛生體制改革2016年重點工作任務的通知》), proposing to promote the separation of dispensing from prescription in various methods and prohibit public hospitals from restricting the outflow of prescriptions. In May 2021, the National Healthcare Security Administration and National Health Commission issued the Guiding Opinions on Establishing and Improving the "Dual Channel" Management Mechanism for National Healthcare Insurance Negotiated Drugs (《關於建立完善國家醫保談判藥品「雙通道」管理機制的指導意見》), proposing that the designated retail pharmacies should be connected with the medical insurance information platform and the E-prescription circulation platform to ensure the smooth flow of E-prescriptions.

Practicing Physicians

On August 20, 2021, the Standing Committee of NPC (the "**SCNPC**") issued the Doctors Law of the PRC (《中華人民共和國醫師法》) (the "**Doctors Law**"), effective on May 1, 1999, and lastly amended on August 20, 2021. According to the Doctors Law, when taking medical, preventive or healthcare measures and when signing relevant medical certificate, the practicing physicians shall conduct diagnosis and investigation personally and fill out the medical files without delay as required. No practicing physicians may conceal, forge or destroy any medical files or the relevant data. According to Administrative Measures for the Registration of Practicing physicians (《醫師執業註冊管理辦法》), promulgated by the NHFPC on February 28, 2017, effective on April 1, 2017, practicing physicians shall obtain the practice certificate for practicing physicians to practice upon registration. Person who fails to obtain the practice certificate for practicing physicians shall not engage in medical treatment, prevention and healthcare activities. A medical practitioner who practices for multiple institutions at the same place of practice shall determine one institution as the main practicing institution where he or she practices, and apply for registration to the administrative department of health and family planning approving the practice of such institution; and, for other institutions where the medical practitioner is to practice, respectively apply for recordation to the administrative health and family planning authority.

Protection of Patients' Information

Internet hospitals shall strictly comply with the relevant laws and regulations in the PRC on information security and confidentiality of medical data, and appropriately keep patients' information, and shall not illegally trade or disclose patients' information. When patients' information and medical data are illegally or improperly disclosed, a medical institution shall report to the competent health administrative department in a timely manner and immediately take effective rectification.

Rules Governing Healthcare Industry

The PRC government issued several policies to regulate participants in the healthcare industry, including pharmacies, physicians, hospitals, and health insurance companies, such as the Guidance on Promoting Hospital Safety and Order Management (《關於推進醫院安全秩序管理工作的指導意見》), the Notice on Publicizing the 5G+ Healthcare Application Pilot Project (《關於公佈5G+醫療健康應用試點項目的通知》), the Notice on Promulgating Five Specifications Including the Specifications for Pharmaceutical Outpatient Service of Medical Institutions (《關於印發醫療機構藥學門診服務規範等5項規範的通知》), and the Detailed Rules for the Supervision of Internet Diagnosis and Treatment (Trial) (《互聯網診療監管細則(試行)》).

Detailed Rules for the Supervision of Internet Diagnosis and Treatment (Trial) (the "**Supervision Rules**") stated that medical institutions' electronic prescriptions, and prescription review records should be traceable, and the data interface should be opened to the provincial supervision platform. The Supervision Rules also stated that prescription drug selling before a prescription is issued is strictly prohibited and that a medical institution shall conduct electronic real-name verification for the medical staff members carrying out Internet diagnosis and treatment activities.

In accordance with the Circular on Making Further Progress on the Inclusion of Designated Retail Pharmacies in the Outpatient Clinics Coordinated Management Regime (《關於進一步做好定點零售藥店納入門診統籌管理的通知》) issued by the National Healthcare Security Administration on February 15, 2023, significant emphasis is placed on the inclusion of designated retail pharmacies into the outpatient coordination scheme. Pursuant to the circular, when insurers covered under social health insurance purchase drugs at designated retail pharmacies, such purchases shall enjoy the same reimbursement levels with social health insurance funds as those sold through designated hospitals.

REGULATIONS RELATING TO THE ONLINE TRANSACTION

According to the Measures for the Supervision and Administration of Online Transactions (effective May 1, 2021), online transaction operators shall disclose product or service information in a comprehensive, truthful, accurate, and timely manner, safeguarding consumers' right to information and right to choose. Online transaction operators must not engage in unlicensed or unregistered business operations in violation of laws, regulations, or decisions of the State Council.

Pursuant to the E-Commerce Law (effective January 1, 2019), e-commerce platform operators must: (i) require third-party merchants applying to sell goods or provide services on the platform to submit authentic information such as their identity, address, contact details, and administrative permits; collect, verify, and register such information; establish registration files; and conduct regular verification and updates; (ii) report the identity information of third-party merchants on the platform to the market supervision and administration department as required, and remind such merchants to complete registration with the market supervision and administration department; (iii) report identity information and tax-related information to the tax authorities in accordance with laws and administrative regulations on tax collection and administration, and remind individual third-party merchants to complete tax registration; (iv) record and retain information on goods and services as well as transaction information for no less than three years; (v) publicly display the platform service agreement and transaction rules, or links to such information, on the platform's homepage; (vi) clearly distinguish and mark products or services provided by the platform operator itself on the platform, and assume responsibility for such products and services; (vii) establish and improve a credit evaluation system, publicize the credit evaluation rules, provide consumers with channels to evaluate goods sold or services provided on the platform, and prohibit the deletion of evaluations; and (viii) establish intellectual property protection rules and take necessary measures when notified by intellectual property right holders that their rights have been infringed.

REGULATIONS RELATING TO THE INSURANCE INDUSTRY

Regulatory Framework

The legal framework for monitoring and administering insuring activities within the territory of the PRC is underpinned by laws and regulations including the Insurance Law of the PRC (《中華人民共和國保險法》) (the "**Insurance Law**") promulgated by the SCNPC on June 30, 1995, effective on October 1, 1995 and last amended on April 24, 2015, and administrative regulations, departmental provisions and other regulatory documents stipulated in accordance with the Insurance Law.

On January 23, 2020, the government issued the Opinions on Promoting the Development of Commercial Insurance in the Field of Social Services (《關於促進社會服務領域商業保險發展的意見》), which encourages the insurance companies to provide a wider range of commercial health insurance products to cover more healthcare related services.

Regulations on Insurance Brokerage Business

The Insurance Law provides that an insurance broker is a company that provide intermediary services to insurance policyholders in consideration of commissions in the process of insurance contract formation with insurance companies. The Provisions on the Supervision and Administration of Insurance Brokers (《保險經紀人監管規定》) (the "**Insurance Brokers Provisions**"), which were promulgated by China Insurance Regulatory Commission (the "**CIRC**", which was merged into National Financial Regulatory Administration (the "**NFRA**")) on February 1, 2018 and became effective on May 1, 2018, specify provisions regarding market access, operation rules, exit from market, industry self-discipline, monitoring and inspection and legal obligations for insurance brokers.

An insurance brokerage firm may conduct the following insurance brokering businesses: (i) making insurance proposals, selecting insurance companies and handling the insurance application procedures for the insurance applicants; (ii) assisting the insured or the beneficiary to claim compensation; (iii) reinsurance brokering business; (iv) providing consulting services to clients with respect to disaster and damage prevention, risk assessment and risk management; and (v) other business activities approved by the CIRC.

Pursuant to the Insurance Law and the Insurance Brokers Provisions, to operate insurance brokerage business within the territory of the PRC, an insurance broker shall satisfy the requirements stipulated by the CIRC and obtain a license to operate insurance brokerage business. The minimum paid-in registered capital of an insurance broker that conducts business within the province it is registered is RMB10 million, while the minimum paid-in registered capital of a cross-province insurance broker is RMB50 million. The registered capital of an insurance broker must be fully paid in cash by shareholders using their self-owned, true and lawful funds instead of bank loans or other funds not owned by shareholders.

Regulation relating to Internet Insurance Business

Pursuant to the Measures for the Supervision and Administration of Internet Insurance Business (《互聯網保險業務監管辦法》) (the "**Internet Insurance Measures**"), which took effect on February 1, 2021. The current Internet Insurance Measures define "Internet insurance business" as insurance operations, including contract formation and service provision, conducted by insurance institutions through internet channels, reiterating that such business may only be undertaken by duly licensed insurance institutions. And insurance institutions shall submit a report on its Internet insurance business operation of the previous year to the Internet insurance regulation-related information system prior to April 30 of each year. Insurance institutions shall, on a regular basis, submit Internet insurance business regulatory data and statements in accordance with the relevant requirements of the NFRA.

REGULATIONS RELATING TO INTERNET ADVERTISING

Pursuant to the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), which was promulgated by the SCNPC on October 27, 1994 and latest amended on April 29, 2021, the Internet information service providers shall not publish medical, drugs, medical machinery or health food advertisements in disguised form of introduction of healthcare and wellness knowledge. The Measures for Administration of Internet Advertising (《互聯網廣告管理辦法》) (the "**Internet Advertising Measures**") were promulgated by SAMR on February 25, 2023, came into effect on May 1, 2023. According to the Internet Advertising Measures, commercial advertisements and cross-border e-commerce advertisements that directly and indirectly promote goods or services through on-line live streaming; further strengthen the system provisions in areas such as "one-click closure" of pop-up advertisements and implanted advertisements, and strengthen the responsibility of relevant subjects, etc.

Pursuant to the Interim Administrative Measures for the Review of Advertisements for Drugs, Medical Devices, Health Food and Formula Food for Special Medical Purposes (《藥品、醫療器械、保健食品、特殊醫學用途配方食品廣告審查管理暫行辦法》), which were promulgated by the State Administration for Market Regulation (the "**SAMR**") on December 24, 2019 and came into effect on March 1, 2020, an enterprise seeking to advertise its drugs, medical devices, dietary supplement or food for special medical purpose must apply for an advertisement approval number.

REGULATIONS RELATING TO PRODUCT LIABILITY AND CONSUMER PROTECTION

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) promulgated on February 22, 1993 and latest amended on December 29, 2018 by the SCNPC, the seller shall be responsible for the repair, replacement or return of the product sold if (i) the product sold does not possess the properties for use that it should possess, and no prior and clear indication is given of such a situation; (ii) the product sold does not conform to the applied product standard as carried on the product or its packaging; or (iii) the product sold does not conform to the quality indicated by such means as a product description or physical sample. If a consumer incurs losses as a result of purchased product, the seller shall compensate for such losses.

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

REGULATIONS RELATING TO INFORMATION SECURITY

Internet information in China is regulated and restricted from a national security standpoint.

On November 7, 2016, the SCNPC promulgated the Cyber Security Law of the PRC, or the Cyber Security Law (《網絡安全法》), which last revised on October 28, 2025. Network operators are defined as the owners, administrator, and providers of network services. When conducting business activities and providing services, network operators shall abide by laws and regulations and fulfill their obligations for network security protection. For construction or operation of the networks or provision of services through the networks, operators shall, in accordance with the provisions of laws and regulations and the mandatory requirements of national standards, adopt technical measures and any other necessary measures to ensure the safe and stable operation of the networks, effectively respond to cybersecurity incidents, prevent illegal and criminal activities committed on the network, maintain the integrity, confidentiality, and availability of network data. In addition, network operators are not allowed to collect personal data unrelated to the services they provide, or collect or use any personal data in violation of laws, regulations and the agreement between the two parties.

The Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Cybersecurity Review Measures**") jointly revised and promulgated by the Cyberspace Administration of China (the "**CAC**") and other twelve PRC regulatory authorities on 28 December 2021, became effective on 15 February 2022. The Cybersecurity Review Measures provides that, among others, (i) critical information infrastructure operators that purchase network products and services or network platform operators that engage in data processing activities that affect or may affect national security shall be subject to the cybersecurity review by the Cybersecurity Review Office, the department which is responsible for the implementation of cybersecurity review under the CAC; (ii) network platform operators with personal information data of more than one million users that seek for listing in a foreign country are obliged to apply for a cybersecurity review by the Cybersecurity Review Office; and (iii) the relevant regulatory authorities may initiate cybersecurity review if such regulatory authorities determine that the enterprise's network products or services, or data processing activities affect or may affect national security.

On July 7, 2022, CAC promulgated the Measures for the Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》), which became effective on September 1, 2022. According to these measures, where a data processor provides data overseas under any of the following circumstances, it shall apply to the provincial-level cyberspace administration at its place of domicile for a security assessment of cross-border data transfer, which will then be submitted to CAC for review: (i) where the data processor provides important data overseas; (ii) where a critical information infrastructure operator or a data processor processing personal information of more than one million individuals provides personal information overseas; (iii) where a data processor that has cumulatively provided personal information of more than 100,000 individuals or sensitive personal information of more than 10,000 individuals overseas since January 1 of the preceding year provides personal information overseas; or (iv) other circumstances as prescribed by CAC requiring a security assessment for cross-border data transfer.

In addition, prior to applying for a security assessment for cross-border data transfer, the data processor is required to conduct a self-assessment of the risks associated with such data transfer. Factors to be considered in such self-assessment include, among others: (i) the legality, legitimacy and necessity of the purpose, scope and method of the cross-border data transfer and the processing of the data by the overseas recipient; (ii) the scale, scope, type and sensitivity of the data to be transferred overseas and the risks that such transfer may pose to national security, public interests or the legitimate rights and interests of individuals or organizations; (iii) whether the responsibilities and obligations undertaken by the overseas recipient, as well as its management and technical capabilities and measures, are sufficient to ensure the security of the transferred data; (iv) the risks that the data may be tampered with, destroyed, leaked, lost, transferred or illegally obtained or used during or after the cross-border transfer, and whether the channels for safeguarding personal information rights and interests are effective; and (v) whether the contracts or other legally binding documents to be executed with the overseas recipient adequately stipulate the responsibilities and obligations for data security protection.

REGULATIONS RELATING TO PERSONAL INFORMATION OR DATA PROTECTION

The Data Security Law of the PRC(《中華人民共和國數據安全法》), promulgated by the SCNPC on June 10 2021, effective from September 1, 2021, stipulates that relevant entities carrying out data processing activities should comply with laws, regulations and codes of ethics, establish and improve the whole process data security management system in the process of data processing, strengthen risk monitoring, conduct regular risk assessments and report to the competent authorities. In December 2011, the Ministry of Industry and Information Technology (the "**MIIT**") issued Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), which provides that an Internet information service provider may not collect any user's personal information or provide any such information to third parties without such user's consent.

The Cyberspace Administration of China, or the CAC, the MIIT, the Ministry of Public Security and the SAMR jointly issued the Notice on Promulgation of the Rules on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications (《常見類型移動互聯網應用程序必要個人信息範圍規定》) in March 2021, effective from May 1, 2021, specifying that the operator of an internet application shall not refuse an user to use the App's basic functional services on the ground that the user disagree with the collection of unnecessary personal information.

In addition, The Cyber Security Law provides that: (i) to collect and use personal information, network operators shall follow the principles of legitimacy, rightfulness and necessity, disclose rules of data collection and use, clearly express the purposes, means and scope of collecting and using the information, and obtain the consent of the persons whose data is gathered; (ii) network operators shall neither gather personal information unrelated to the services they provide, nor gather or use personal information in violation of the provisions of laws and administrative regulations or the scopes of consent given by the persons whose data is gathered; and shall dispose of personal information they have saved in accordance with the provisions of laws and administrative regulations and agreements reached with users; (iii) network operators shall not divulge, tamper with or damage the personal information they have collected, and shall not provide the personal information to others without the consent of the persons whose data is collected. However, if the information has been processed and cannot be recovered and thus it is impossible to match such information with specific persons, such circumstance is an exception.

On 20 August 2021, the SCNPC promulgated the Personal Information Protection Law (《個人信息保護法》) (the "**PIPL**"), which took effect on 1 November 2021. The PIPL further emphasizes the importance of personal information processors' obligations and responsibilities for personal information protection and sets out the rules for processing personal information.

Pursuant to the Regulations for Medical Institutions on Medical Records Management (《醫療機構病歷管理規定》) released on November 20, 2013, and effective from January 1, 2014, the medical institutions and medical practitioners shall strictly protect the privacy information of patients, and any leakage of patients' medical records for non-medical, non-teaching or non-research purposes is prohibited. The NHFPC released the Measures for Administration of Population Health Information (Trial) (《人口健康信息管理辦法(試行)》) on May 5, 2014, which refers the medical health service information as the population healthcare information, and emphasizes that such information cannot be stored in offshore servers, and the responsible shall not host or lease offshore servers. Pursuant to the Management Measures of Standards, Safety and Service of National Health and Medical Big Data (Trial) (《國家健康醫療大數據標準、安全和服務管理辦法(試行)》), promulgated on July 12, 2018, the medical institutions should establish relevant safety management systems, operation instructions and technical specifications to safeguard the safety of healthcare big data generated in the process of health management service or prevention and cure service of diseases. And it also stipulates that such healthcare big data should be stored in onshore servers and shall not be provided overseas without safety assessment.

The Data Security Law of PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**") promulgated on 10 June 2021 and becoming effective on 1 September 2021. The Data Security Law mainly sets forth specific provisions regarding the establishment of basic systems for data security management, including hierarchical data classification management system, risk assessment system, monitoring and early warning system, and emergency response system. In addition, the Data Security Law clarifies the data security protection obligations of organizations and individuals carrying out data activities and implements data security protection responsibilities.

On September 24, 2024, the State Council promulgated the Regulation on Network Data Security Management (《網絡數據安全管理條例》), which came into effect on January 1, 2025. The regulations provide that, among others, network data processors carry out network data processing activities that affect or may affect national security shall undergo the national security review in accordance with relevant regulations.

REGULATIONS RELATING TO NATIONAL MEDICAL INSURANCE PROGRAM

According to the Interim Measures for the Management of Medical Insurance in Designated Retail Pharmacies (《零售藥店醫療保障定點管理暫行辦法》) and the Interim Measures for the Management of Medical Insurance in Designated Medical Institutions (《醫療機構醫療保障定點管理暫行辦法》), eligible pharmacies and medical institutions will enter into the medical insurance service agreements with public health organizations, pursuant to which the public health organizations agree to directly settle certain part of the medical bills incurred in the pharmacies or medical institutions for their customers.

PRC LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

According to 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 in March 2007 and latest amended in December 2018, and the Implementation Rules of 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 in December 2007 and latest amended in December 2024, other than a few exceptions, the income tax rate for both domestic enterprises and foreign-invested enterprises is 25%. Enterprises are classified as either "resident enterprises" or "non-resident enterprises". Besides enterprises established within the PRC, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" and subject to the uniform 25% enterprise income tax rate for their global income. A non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within the PRC but which have an establishment or place of business in the PRC, or which do not have an establishment or place of business in the PRC but have income sourced within the PRC. An income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident enterprise investors that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC.

Value-Added Tax

The PRC VAT Law (《中華人民共和國增值稅法》) was promulgated by the Standing Committee of the National People's Congress on 25 December 2024 and came into effect on 1 January 2026. Any entity or individual (including individual industrial and commercial households) that engages within the territory of the PRC in the sale of goods, services, intangible assets, or real estate (collectively, "Taxable Transactions"), or that imports goods into the PRC, shall qualify as a VAT taxpayer and is obligated to pay value-added tax in accordance with the provisions of said Law. "sale" of goods, services, intangible assets, or real estate shall mean the transfer of ownership of goods or real estate for consideration, the provision of services for consideration, and the transfer of ownership or usufruct of intangible assets for consideration.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) which was promulgated by the Ministry of Finance and SAT on April 4, 2018 and came into effect on May 1, 2018, the VAT rates of 17% and 11% applicable to the general VAT payers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively. According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) jointly which was promulgated by the Ministry of Finance, SAT and General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

Dividend Withholding Tax

Pursuant to the Enterprise Income Tax Law of the PRC and its implementation rules, if a non-resident enterprise has not set up an organization or establishment in the PRC, or has set up an organization or establishment but the income derived has no actual connection with such organization or establishment, it will be subject to a withholding tax on its PRC-sourced income at a rate of 10%.

The SAT issued the Announcement of State Taxation Administration on Promulgation of the Administrative Measures on Non-resident Taxpayers Enjoying Treaty Benefits (《國家稅務總局關於發佈<非居民納稅人享受協定待遇管理辦法>的公告》) (the "**SAT Circular 35**") on October 14, 2019, which became effective on January 1, 2020. According to the SAT Circular 35, no approvals from the tax authorities are required for a non-resident taxpayer to enjoy treaty benefits, where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through the withholding agent, but it shall gather and retain the relevant materials as required for future inspection, and accept follow-up administration by the tax authorities. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations. According to the Circular of the State Administration of Taxation on Several Issues regarding the "Beneficial Owner" in Tax Treaties (《國家稅務總局關於稅收協定中"受益所有人"有關問題的公告》), which was issued on February 3, 2018 by the SAT, effective as of April 1, 2018, when determining the applicant's status of the "beneficial owner" regarding tax treatments in connection with dividends, interests or royalties in the tax treaties, several factors, including without limitation, whether the applicant is obligated to pay more than 50% of its income in twelve months to residents in third country or region, whether the business operated by the applicant constitutes the actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax or grant tax exemption on relevant incomes or levy tax at an extremely low rate, will be taken into account, and it will be analyzed according to the actual circumstances of the specific cases.

PRC LAWS AND REGULATIONS RELATING TO LABOUR

Pursuant to the PRC Labour Law (《中華人民共和國勞動法》) promulgated on July 5, 1994 and latest revised on December 29, 2018, as well as the PRC Labour Contract Law (《中華人民共和國勞動合同法》) promulgated on June 29, 2007, revised on December 28, 2012 if an employment relationship is established between an entity and its employees, written labour contracts shall be executed between them. The relevant laws stipulate the maximum number of working hours per day and per week, respectively. Furthermore, the relevant laws also set forth the minimum wage. The entities shall establish and develop systems for occupational safety and sanitation, implement the rules and standards of the PRC government on occupational safety and sanitation, educate employees on occupational safety and sanitation, prevent accidents at work and reduce occupational hazards.

The PRC governmental authorities have passed a variety of laws and regulations regarding social insurance and housing funds from time to time, including, among others, the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), the Regulation of Insurance for Labor Injury (《工傷保險條例》), the Regulations of Insurance for Unemployment (《失業保險條例》), the Provisional Insurance Measures for Maternal Employees (《企業職工生育保險試行辦法》), the Interim Regulations Concerning the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) and the Administrative Regulations on the Housing Provident Fund (《住房公積金管理條例》).

According to the Social Insurance Law of the PRC, issued by the Standing Committee of the National People's Congress on October 28, 2010, came into effect on July 1, 2011, and last amended on December 29, 2018, enterprises and institutions in the PRC shall provide their employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and other welfare plans. The employer shall apply to the local social insurance agency for social insurance registration within 30 days from the date of its formation. It shall also, within 30 days from the date of employment, apply to the social insurance agency for social insurance registration for the employee. Any employer who violates the regulations above shall be ordered to make correction within a prescribed timeframe, and if the employer fails to do so, the employer and its directly liable person will be fined.

Pursuant to the Administrative Regulations on Housing Provident Fund (《住房公積金管理條例》) effective from April 3, 1999, and latest amended on March 24, 2019, enterprises are required to register with the competent administrative centers of housing provident fund and open bank accounts for housing provident funds for their employees. Employers are also required to timely pay all housing fund contributions for their employees. Where an employer fails to submit and deposit registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit. Failing to do so at the expiration of the time limit will subject the employer to a fine of not less than RMB10,000 and up to RMB50,000. When an employer fails to pay housing provident fund due in full and in time, housing provident fund center is entitled to order it to rectify, failing to do so would result in enforcement exerted by the court.

On July 31, 2025, the PRC Supreme People's Court promulgated the Supreme People's Court's Interpretation on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) ("Interpretation II"), which took effect on September 1, 2025. Article 19(1) of Interpretation II stipulates that if an employer and an employee agree or the employee undertakes that any agreement between an employer and an employee, or any undertaking by an employee to the employer, that social insurance contributions need not be made shall be deemed invalid by the people's courts. Where an employer fails to make social insurance contributions in accordance with the law and an employee requests termination of the labor contract and payment of economic compensation by the employer pursuant to Article 38(3) of the Labor Contract Law, the people's courts shall support such request in accordance with the law.

REGULATIONS RELATING TO THE LEASING OF PROPERTY

Pursuant to the Administrative Measures for the Leasing of Commodity Housing (《商品房屋租賃管理辦法》) issued by the Ministry of Housing and Urban-Rural Development of the PRC on December 1, 2010 and coming into force on February 1, 2011, within 30 days after the execution of the housing lease contract, parties to the leasing of housing shall handle the registration and filing procedure of the leasing of housing at the departments in charge of construction (real estate) of the governments in the municipality directly under the Central Government, city and county where the leased housing is located. In the event that parties to the leasing of housing fail to handle the registration and filing procedure of the leasing of housing, the department in charge of construction (real estate) of the people's government in the municipality directly under the Central Government, the cities or the counties shall order rectification within a time limit. If rectification is not made by an individual within the time limit, a fine of less than RMB1,000 shall be imposed. If rectification is not made by an entity within the time limit, a fine of more than RMB1,000 but less than RMB10,000 shall be imposed.

Furthermore, under any of the following circumstances, the properties shall not be let out: (i) Illegal buildings; (ii) Buildings which do not comply with mandatory project construction standards such as safety, disaster prevention, etc; (iii) Change of nature of property use which violates the provisions; or (iv) Any other circumstances for which leasing is prohibited as stipulated by laws and regulations. Persons who violate the provisions above shall be ordered by the development (real estate) department of the People's Governments of centrally-administered municipalities, municipalities or counties to make correction within a stipulated period; where there is no illegal income, a fine of not more than RMB5,000 may be imposed; where there is an illegal income, a fine ranging from one to three times the amount of illegal income may be imposed, subject to a maximum of RMB30,000.

According to the PRC Civil Code (《中華人民共和國民法典》), the lessee may sublease the leased premises to a third party, subject to the consent of the lessor. Where the lessee subleases the premises, the lease contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the lease contract if the lessee subleases the premises without the consent of the lessor. In addition, if the lessor transfers the premises, the lease contract between the lessee and the lessor will still remain valid. Where the mortgaged property has been leased and the possession thereof has been transferred before the creation of mortgage, the original lease relations shall not be affected by the mortgage.

PRC LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

The Trademark Law

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》) which was promulgated on August 23, 1982 and latest amended on April 23, 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 and amended on April 29, 2014. In China, registered trademarks include commodity trademarks, service trademarks, collective marks and certification marks.

The Trademark Office under the China National Intellectual Property Administration, handles trademark registrations and grants a term of ten years to registered trademarks. Trademarks are renewable every ten years where a registered trademark needs to be used after the expiration of its validity term. A registration renewal application shall be filed within twelve months prior to the expiration of the term. A trademark registrant may license its registered trademark to another party by entering into a trademark license contract. Trademark license agreements must be filed with the Trademark Office for record.

The Patent Law

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》) amended by the SCNPC and lastly amended on 17 October 2020, and the Implementation Rules of The Patent Law of the PRC (《中華人民共和國專利法實施細則》) amended by the State Council and lastly amended on 11 December 2023, patents in China are divided into invention patent, utility patent and design patent. Invention patent refers to new technical solutions for a product, method or its improvement; utility patent refers to new technical solutions for the shape, structure or the combination of both shape and structure of a product, which is applicable for practical use; design patent refers to new designs of the shape, pattern or the combination of shape and pattern, or the combination of the color, the shape and pattern of a product with esthetic feeling and industrial application value. Invention patent shall be valid for 20 years from the date of application while utility patent and design patent shall be valid for ten years from the date of application. The patent right entitled to its owner shall be protected by the laws. Any person shall be licensed or authorized by the patent owner before using such patent. Otherwise, the use constitutes an infringement of the patent right.

The Copyright Law

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》) amended by the SCNPC on February 26, 2010 and came into effect on April 1, 2010, Chinese citizens, legal persons or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software created in writing or oral or other forms. A copyright holder shall enjoy a number of rights, including the right of publication, the right of authorship and the right of reproduction. The Copyright Law of the PRC has been amended by the SCNPC on November 11, 2020 and came into effect on June 1, 2021.

Pursuant to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration (國家版權局) on February 20, 2002 and the Regulations on Computers Software Protection (《計算機軟件保護條例》) amended by the State Council on January 30, 2013 and came into effect on March 1, 2013, the National Copyright Administration is mainly responsible for the registration and management of software copyright in China and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center shall grant certificates of registration to computer software copyright applicants in compliance with the regulations of the Measures for the Registration of Computer Software Copyright and the Regulations on Computers Software Protection.

Domain Names

Pursuant to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and coming into effect on November 1, 2017, the establishment of any domain name root server and institution for operating domain name root servers, managing the registration of domain name and providing registration services in relation to domain name within the territory of China shall be subject to the approval of the MIIT or provincial, autonomous regional and municipal communications administration. The registration of domain name shall follow the principle of "first apply first register."

REGULATIONS RELATING TO OVERSEAS OFFERING AND LISTING

On February 17, 2023, with the approval of the State Council, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Measures**") and relevant five guidelines, which came into force on March 31, 2023.

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

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

Full Circulation of H Shares

"Full Circulation" refers to listing and circulation of domestic unlisted shares of H-share listed companies on the Stock Exchange, 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》) ("Guidelines for the Full Circulation"), which was amended on August 10, 2023. As regulated in the Guidelines for 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 under relevant laws and regulations and the policies governing state-owned asset administration, foreign investment and industry regulation are met. Meanwhile, the H-share listed company may be entrusted to file the application for "full circulation" with the CSRC. An unlisted domestic joint stock company may apply with the CSRC for "full circulation" at the time of its application for initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Stock Exchange, they may not be transferred back to China. Pursuant to the Trial Measures, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC. Additionally, they are required to entrust the domestic company to file with the CSRC on their behalf.

PRC LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE

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

On February 13, 2015, SAFE promulgated the Notice on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》), according to which, entities and individuals may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, may directly review the applications and conduct the registration. On March 30, 2015, SAFE promulgated the Circular on Reforming the Management Approach regarding the Settlement of Foreign Capital of Foreign-invested Enterprise (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular 19**"). According to the SAFE Circular 19, the foreign exchange capital of foreign-invested enterprises shall be subject to the Discretionary Foreign Exchange Settlement, which means that the foreign exchange capital in the capital account of a foreign-invested enterprise for which the rights and interests of monetary contribution have been confirmed by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) can be settled at the banks based on the actual operational needs of the foreign-invested enterprise, and if a foreign-invested enterprise needs to make further payment from such account, it still needs to provide supporting documents and proceed with the review process with the banks. Furthermore, the SAFE Circular 19 stipulates that the use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use within the business scope of enterprises.

The Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the "**SAFE Circular 13**") which became effective on June 1, 2015 and was amended on December 30, 2019, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

The Circular on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《關於改革和規範資本項目結匯管理政策的通知》) (the "**SAFE Circular 16**"), was promulgated by SAFE on June 9, 2016. Pursuant to SAFE Circular 16, enterprises registered in the PRC may also convert their foreign debts from foreign currency to Renminbi on a self-discretionary basis. The SAFE Circular 16 reiterates the principle that Renminbi converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC Laws, while such converted Renminbi shall not be provided as loans to its non-affiliated entities.

On October 23, 2019, the SAFE promulgated the Notice for Further Advancing the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》), which, among other things, allows all FIEs to use Renminbi converted from foreign currency denominated capital for equity investments in China, as long as the equity investment is genuine, does not violate applicable laws, and complies with the negative list on foreign investment.

According to the Circular of the State Administration for Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《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》) promulgated and effective on April 10, 2020 by the SAFE, the reform of facilitating the payments of incomes under the capital accounts shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and compliance and complying with the prevailing administrative provisions on use of income from capital projects, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc., for domestic payment, without the need to provide proof materials for veracity to the bank beforehand for each transaction.