This section sets out a summary of the principal PRC laws and regulations that are relevant to the Company's business and operations in the PRC.

**Laws and Regulations on Safe Production and Business Operation in the PRC**

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》), or the Production Safety Law, which was promulgated by the SCNPC on June 29, 2002, and was last amended on June 10, 2021, effective as of September 1, 2021, entities engaged in production and business activities within the PRC shall comply with the Work Safety Law, strengthen work safety management, establish and improve the all-staff work safety responsibility system and work safety rules and regulations, increase investment in funds, materials, technologies and personnel for work safety, improve the conditions for work safety, strengthen the standardized and information technology development of work safety, establish a dual prevention mechanism of graded management and control of safety risks and the screening and handling of hidden dangers, improve the risk prevention and resolution mechanism, and improve the level of work safety so as to ensure work safety. Safety facilities of new building, rebuilding or expanding project shall be designed, constructed and put into operation simultaneously with the main body of the project.

According to the Regulations on Work Safety Licenses (《安全生產許可證條例》) which was promulgated by the State Council on January 13, 2004, and was amended on July 29, 2014, effective since then, the State applies the work safety licensing system to enterprises engaged in mining, construction, and the production of hazardous chemicals, fireworks and crackers, and civil use explosive materials. No enterprises may engage in production activities without the work safety license.

According to the Administration Regulations on Safety of Hazardous Chemicals (《危險化學品安全管理條例》), which was promulgated on January 26, 2002, and was last amended on December 7, 2013, effective since then, the production safety supervision and administration authorities are responsible for making the Catalogue of Hazardous Chemicals and issuing the Work Safey License and Operation License on Hazardous Chemicals, and without being licensed, any units shall not produce or operate hazardous chemicals. Units producing or importing hazardous chemicals listed in the Catalogue of Hazardous Chemicals shall register hazardous chemicals with the competent hazardous chemicals registration authorities.

According to the Measures for the Supervision and Administration of Work Safety in Construction Projects Involving Hazardous Chemicals (《危險化學品建設項目安全監督管理辦法》), which was issued on January 30, 2012, and was amended on May 27, 2015, effective as of July 1, 2015, the construction units shall apply to the competent production safety supervision and administration authorities for the review of safety conditions and the design of safety facilities of the construction project shall be conducted. Prior to the commissioning and use of the construction project, the construction units shall organize personnel to conduct the completion acceptance of the safety facilities.

According to the Measure for the Administration of Hazardous Chemical Products Registration (《危險化學品登記管理辦法》) which was issued on October 8, 2002, and was amended on July 1, 2012, effective as of August 1, 2012, units producing or importing hazardous chemicals listed in the Catalogue of Hazardous Chemicals shall register hazardous chemicals with the competent hazardous chemicals registration authorities.

According to the Administration Measures on Operation Permits for Hazardous Chemicals (《危險化學品經營許可證管理辦法》) which was issued on October 8, 2002, and was last amended on May 27, 2015, effective as of July 1, 2015, the State adopts a licensing system for the operating activities of hazardous chemicals. An enterprise operating hazardous chemicals shall obtain an operating permit for hazardous chemicals in accordance with these Measures. No entity or individual may operate hazardous chemicals before obtaining the operating permit.

**Laws and Regulations on Environmental Protection**

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), promulgated by the SCNPC on December 26, 1989, last amended on October 24, 2023, and effective as of January 1, 2024, the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), promulgated by the SCNPC on October 28, 2002, and last amended on December 29, 2018, and the Administration Regulations on the Environmental Protection of Construction Project (《建設項目環境保護管理條例》), promulgated by the State Council on November 29, 1998, and last amended on July 16, 2017, effective as of October 1, 2017, for the construction of environment-affected projects, the environmental impact assessment shall be conducted. For construction projects with potentially serious environmental impacts, an environment impact report shall be prepared to provide a comprehensive assessment of their environmental impacts. For construction projects with potentially mild environmental impacts, an environmental impact statement shall be prepared to provide an analysis or specialized assessment of their environmental impacts. For construction projects with very small environmental impacts, no environmental impact assessment is required. However, an environmental impact registration form shall be submitted.

According to the Interim Measures for Completion Acceptance of Environmental Protection for Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) which was promulgated by the former Ministry of Environmental Protection (now Ministry of Ecology and Environment) on November 20, 2017 and came into effect since then, construction units shall carry out environmental protection acceptance after the construction of such projects is completed.

The Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》) which was promulgated by the SCNPC on September 5, 1987, and was last amended on October 26, 2018, effective since then, the Law of the PRC on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) which was promulgated by the SCNPC on May 11, 1984, and was last amended on June 27, 2017, effective as of January 1, 2018, the Law of the PRC on Noise Pollution Prevention and Control (《中華人民共和國噪聲污染防治法》) which was promulgated by the SCNPC on December 24, 2021 and came into effect on June 5, 2022, and the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Waste (《中華人民共和國固體廢物污染環境防治法》) which was promulgated by the SCNPC on October 30, 1995, and was last amended on April 29, 2020, effective as of September 1, 2020, set out the requirements for the prevention and control of atmospheric pollution, water pollution, noise pollution and solid waste respectively. The enterprises which discharge sewage, solid waste, noise, or waste gas shall obtain corresponding pollutant discharge permit documents in accordance with the aforesaid laws and regulations.

According to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) which was promulgated by the State Council on January 24, 2021 and came into effect on March 1, 2021, and the Administration Measures on Pollutant Discharge Permit (《排污許可管理辦法》) which was issued by the Ministry of Ecology and Environment on April 1, 2024, and came into effect on July 1, 2024, enterprises, public institutions and other producers and operators that are subject to the administration of pollutant discharge permits shall apply for pollutant discharge permit and discharge pollutants in accordance with the requirements of the pollutant discharge permit; and those who have not obtained the pollutant discharge permits shall not discharge pollutants. According to the Classification Management List for Fixed Source Pollution Permits (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》) which was issued by the Ministry of Ecology and Environment of the PRC and came into effect on December 20, 2019, the State implements the key management, simplified management and registration management of pollutant discharge permits based on the quantity of pollutants generated and discharged, their impacts on the environment and other factors.

**Laws and Regulations on Fire Safety**

According to the Fire Safety Law of the PRC (《中華人民共和國消防法》) which was promulgated by the SCNPC on April 29, 1998, and was last amended on April 29, 2021, effective since then, and the Interim Provisions on Administration of Fire Protection Design Review and Acceptance of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) (the "**Interim Provisions**") which was issued by the Ministry of Housing and Urban-Rural Development on April 1, 2020, and was last amended on August 21, 2023, effective as of October 30, 2023, the fire protection design or construction of a construction project shall conform to the national fire protection technical standards for project construction and construction projects shall undergo the fire protection design review and acceptance system. The special construction projects as defined in the Interim Provisions shall apply to the fire control department for fire protection design review and complete the fire protection acceptance procedures after the completion of the construction project. The construction unit of other construction projects must complete the fire protection filing of the fire protection design and the completion acceptance within five (5) business days after the completion acceptance of the construction project. If a construction project fails to pass the fire safety inspection before it is put into use or does not meet the fire safety requirements after the inspection, it will be ordered to suspend the construction and use of such project, or suspend production and business, and be imposed a fine.

**Laws and Regulations on Prevention and Control of Occupational Diseases**

The Prevention and Control of Occupational Diseases Law of the PRC (《中華人民共和國職業病防治法》), which was promulgated by the SCNPC on October 27, 2001, and was last amended on December 29, 2018, effective since then (the "**Prevention and Control of Occupational Diseases Law**"), budget for facilities for the prevention and control of occupational diseases of a construction project shall be included in the budget of the project and those facilities shall be designed, constructed, and put into operation simultaneously with the main body of the project. The construction units should carry out the assessment of the effectiveness of measures for the prevention and control of occupational diseases before the final acceptance of the construction project. According to the Basic Healthcare and Health Promotion Law of the People's Republic of China (《中華人民共和國基本醫療衛生與健康促進法》) promulgated by the SCNPC on December 28, 2019, and effective on June 1, 2020, employers should control occupational disease hazards and take comprehensive management measures such as engineering, individual protection and health management to improve the working environment and labor conditions.

**Laws and Regulations on Product Import and Export**

According to the Customs Law of the People's Republic of China (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987, last amended on April 29, 2021 and effective since then, the consignee of imported goods and the consignor of exported goods may take import and export goods through customs declaration procedures and pay duties themselves, or may entrust a customs declaration enterprise to complete declaration procedures and pay duties for import and export goods. The consignee or the consignor of imported or exported goods and the customs declaration enterprise shall undergo customs declaration formalities at the Customs in accordance with the laws.

According to the Provisions 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》) issued by the General Administration of Customs on November 19, 2021, and effective as of January 1, 2022, customs declaration entities refer to consignees or consignors of imported or exported goods or customs declaration enterprises that have filed for record with the customs in accordance with the Provisions. Consignors or consignees of imported or exported goods or customs declaration enterprises that apply for record-filing shall obtain market entity qualifications.

**Laws and Regulations on Intellectual Property**

According to the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020, and effective as of June 1, 2021 the Implementation Rules of 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, last amended on December 11, 2023 and effective as of January 20, 2024 and the Transitional Measures for the Implementation of the Revised Patent Law and its Implementation Rules and Relevant Examination Business Processing (《關於施行修改後的專利法及其實施細則相關審查業務處理過渡辦法》) issued by the China National Intellectual Property Administration on December 21, 2023 and implemented on January 20, 2024, invention patents are valid for 20 years, utility model patents are valid for 10 years and design patents filed no later than May 31, 2021 are valid for 10 years while design patents filed on or after June 1, 2021 are valid for 15 years, from the date of application.

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, and was last amended on April 23, 2019, effective as of November 1, 2019, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002, and was last amended on April 29, 2014, effective as of May 1, 2014, the period of validity for a registered trademark is 10 years, commencing from the date of registration. Upon expiry of the period of validity, the registrant shall go through the formalities for renewal within twelve months prior to the date of expiry, if intending to continue to use the trademark. Where the registrant fails to do so, a grace period of six months may be granted. The period of validity for each renewal of registration is 10 years, commencing from the day immediately after the expiry of the preceding period of validity for the trademark. In the absence of a renewal upon expiry, the registered trademark shall be canceled. Industrial and commercial administrative authorities have the authority to investigate any behavior in infringement of the exclusive right under a registered trademark in accordance with the law. In the case of a suspected criminal offense, the case shall be timely referred to a judicial authority and decided according to law.

According to the Administration Measures on the Internet Domain Names (《互聯網域名管理辦法》) issued by the MIIT, on August 24, 2017, and effective from November 1, 2017, the MIIT is the main regulatory authority responsible for the administration of the PRC internet domain names. Domain names registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) which was promulgated by the SCNPC on September 7, 1990 and was last amended on November 11, 2020, effective as of June 1, 2021, and the Implementation Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) promulgated by the State Council on August 2, 2002 and implemented on September 15, 2002, and last amended on January 30, 2013, effective as of March 1, 2013, Copyright holders enjoy a variety of personal and property rights, including the right of publication, the right of authorship, the right of revision, and the right of reproduction.

According to the Computer Software Protection Regulations (《計算機軟件保護條例》), which was promulgated on June 4, 1991, and was last amended on January 30, 2013, effective as of March 1, 2013, and the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) issued by the National Copyright Administration on February 20, 2002, the National Copyright Administration is mainly responsible for the registration and management of national software copyright, and the China Copyright Protection Center is recognized as the software registration agency. The China Copyright Protection Center will grant registration certificates to computer software copyright applicants who conform to the Measures for Registration of Computer Software Copyright and the Regulations on Computer Software Protection.

**Laws and Regulations on Employment and Social Securities**

According to the Labor Law of the PRC (《中華人民共和國勞動法》), promulgated by the SCNPC on July 5, 1994, and last amended on December 29, 2018, effective since then, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), which was promulgated by the SCNPC on June 29, 2007, and was last amended on December 28, 2012, effective as of July 1, 2013, employers shall execute written labor contracts with full-time employees. All employers shall comply with local minimum wage standards. Employers shall establish a comprehensive management system to protect the rights of their employees, including a system governing occupational health and safety to provide employees with occupational training to prevent occupational injury, and employers are required to truthfully inform prospective employees of the job description, working conditions, working location, occupational hazards, and status of safe production as well as remuneration and other conditions.

According to the Social Security Law of the PRC (《中華人民共和國社會保險法》), which was promulgated on October 28, 2010, and amended on December 29, 2018, effective since then, by SCNPC, and the Interim Regulations on the Collection of Social Insurance (《社會保險費徵繳暫行條例》) issued by the State Council on January 22, 1999, and last amended on March 24, 2019, effective since then, 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 to 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 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征管有關工作的通知》) promulgated by the General Office of the State Administration of Taxation on September 13, 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden to conduct self-collection of historical unpaid social insurance contributions from enterprises. The Notice on Implementing 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 State Taxation Administration 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 on April 1, 2019, requires steady advancement of the reform of the system of social security 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, it is not allowed to conduct self-collection of historical unpaid arrears from enterprises, and it is not 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 Administration Regulations on Housing Provident Funds (《住房公積金管理條例》), which was promulgated on April 3, 1999, and was last amended on March 24, 2019, effective since then, by State Council, employers are required to make contribution to housing provident funds for their employees. Where an employer fails to pay up housing provident funds, the housing provident fund administration center may order it to make payment within a prescribed time limit. If the employer still fails to do so, the housing provident fund administration center may apply to the court for compulsory enforcement of the unpaid amount.

**Laws and Regulations on Taxation**

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), (the "**EIT Law**"), which was promulgated by the SCNPC on March 16, 2007, and was last amended on December 29, 2018, effective since then, and the Regulation on the Implementation of the EIT Law (《中華人民共和國企業所得税法實施條例》), which was promulgated by the State Council on December 6, 2007, and was last amended on December 26, 2024, effective as of January 20, 2025, a uniform 25% enterprise income tax rate is imposed to both foreign invested enterprises and domestic enterprises, except where tax incentives are granted to special industries and projects. The enterprise income tax rate is reduced to 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC's government will enjoy a reduced tax rate of 15% for enterprise income tax.

According to the Value-added Tax Law of the PRC (《中華人民共和國增值税法》), which was promulgated on December 25, 2024 and effective since January 1,2026, and the Implementation Rules for the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例實施細則》), which was promulgated by the Ministry of Finance on December 25, 1993 and was last amended on October 28, 2011, effective as of November 1, 2011, entities and individuals engaging in selling goods, providing processing, repairing or replacement services or importing goods within the territory of the PRC are taxpayers of the value-added tax ("**VAT**"). According to the Notice of the Ministry of Finance and the State Taxation Administration on the Adjusting Value-added Tax Rates (《財政部、税務總局關於調整增值税税率的通知》) issued on April 4, 2018, and effective as of May 1, 2018, the VAT rates of 17% and 11% on sales of goods shall be adjusted to 16% and 10%, respectively. According to the Announcement of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (《關於深化增值税改革有關政策的公告》) promulgated on March 20, 2019, and effective as of April 1, 2019, the VAT rates of 16% and 10% on sales of goods shall be adjusted to 13% and 9%, respectively.

**Laws and Regulations on Foreign Exchange**

According to the Administration Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》), which was promulgated on January 29, 1996 and was last amended on August 5, 2008, effective since then, foreign exchange receipts and payments by domestic entities and individuals shall be subject to such regulations. Foreign exchange receipts and payments under current account items shall be based on true and legitimate transactions.

**Laws and Regulations on Company Establishment and Foreign Investment**

According to the PRC Company Law (《中華人民共和國公司法》), which was promulgated by the SCNPC on December 29, 1993, and was last amended on December 29, 2023, effective as of July 1, 2024, companies established in the PRC may take the form of limited liability company or joint stock company with limited liability. Each company has independent legal person property and enjoys legal person property rights. The legitimate rights and interests of the company are protected by law and are inviolable.

According to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**"), which was promulgated on March 15, 2019, and came into effect on January 1, 2020, the "foreign investment" refers to the investment activities in the PRC carried out directly or indirectly by foreign individuals, enterprises or other organizations (the "**Foreign Investors**"), including the following: (1) Foreign Investors establishing foreign-invested enterprises in China alone or collectively with other investors; (2) Foreign Investors acquiring shares, equities, properties or other similar rights of Chinese domestic enterprises; (3) Foreign Investors investing in new projects in China alone or collectively with other investors; and (4) Foreign Investors investing through other ways prescribed by laws and regulations or the State Council. The FIL further adopts the management system of pre-establishment national treatment and negative list for foreign investment. The "pre-establishment 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; the "negative list" refers to special administrative measures for access of foreign investment in specific fields as stipulated by the State. The FIL granted national treatment to foreign investments outside the negative list. The negative list will be released by or upon approval of the State Council.

According to the Regulations on Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Rules**") which was promulgated on December 26, 2019 and came into effect on January 1, 2020, the State shall encourage and promote foreign investment, protect the lawful rights and interests in foreign investments, regulate foreign investment administration, continue to optimize foreign investment environment, and advance a higher-level opening. Investment activities in the PRC by foreign investors were principally governed by the Special Administration Measures (Negative List) for Access of Foreign Investment (2024 Edition)《外商投資准入特別管理措施(負面清單)(2024年版)》(the "**Negative List**"). The Negative List, which came into effect on November 1, 2024, sets out special administrative measures (restricted or prohibited) in respect of the access of foreign investments in a centralized manner. The Negative List covers 11 industries, and any field not falling in the Negative List shall be administered under the principle of equal treatment for domestic and foreign investment.

According to the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which was issued by the MOFCOM and the SAMR on December 30, 2019, and came into effect on January 1, 2020, the MOFCOM is responsible for coordinating and guiding the reporting of foreign investment information nationwide. The competent commercial department of the local people's government at or above the county level, as well as the relevant agencies of the Pilot Free Trade Zone and the National Economic and Technological Development Zone, is responsible for reporting information on foreign investment in the region. Foreign investors who directly or indirectly carry out investment activities in China shall submit investment information to the competent commercial department through the enterprise registration system and the National Enterprise Credit Information Publicity System and the reporting methods include initial reports, change reports, cancelation reports, and annual reports. Foreign investors who establish foreign invested enterprises in China or acquire domestic non-foreign invested enterprises through equity merger and acquisition shall submit initial reports through the enterprise registration system when applying for the registration of the establishment of foreign-invested enterprises or applying for the registration of the change of the acquired enterprises. If the change in the information of initial reports involves registration or filing of the change of enterprises, foreign-invested enterprises shall submit change reports through the enterprise registration system when applying for the registration or filing of change of enterprises. If the change in the information of initial reports does not involve registration or filing of the change of enterprises, foreign-invested enterprises shall submit change reports through the enterprise registration system within twenty (20) business days after the change. Foreign-invested listed companies shall report information on changes in investors and their shareholdings only when the cumulative change in the foreign investors' shareholding ratio exceeds 5% or the foreign parties' shareholding or relative holding status has changed.

**Laws and Regulations on Overseas Securities Offering and Listing by Domestic Companies**

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) issued by the China Securities Regulatory Commission (the "**CSRC**") on February 17, 2023 and effective from March 31, 2023 (hereinafter referred to as the "**Trial Measures**"), where a domestic company seeks overseas securities issuance and listing, the issuer shall file with the CSRC in accordance with the Trial Measures. If an issuer procures an overseas initial public offering or listing, it shall file with the CSRC within three (3) business days after submitting application documents for overseas securities issuance and listing.

According to 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》) jointly issued by the CSRC and other departments on February 24, 2023, and effective on March 31, 2023, in the overseas offering and listing activities of domestic enterprises, domestic enterprises, and securities companies and securities service institutions that provide corresponding services shall strictly comply with the applicable laws and regulations of the People's Republic of China and satisfy the requirements of these Provisions, enhance the legal awareness of safeguarding state secrets and strengthening archives administration, establish and improve the confidentiality and archives work system, and take necessary measures to fulfill the confidentiality and archives administration obligations, and shall not divulge state secrets or work secrets of state organs, or harm the interests of the state or the public. A domestic enterprise that, either directly or through its overseas listed entity, publicly discloses or provides to relevant securities companies, securities service institutions, overseas regulators, and other entities and individuals, any documents and materials that involve state secrets or work secrets of state organs, shall obtain approval from the competent department with the power of examination and approval according to the law, and report to the administrative department of confidentiality at the same level for filing. A domestic enterprise that, either directly or through its overseas listed entity, publicly discloses or provides to relevant securities companies, securities service institutions, overseas regulators, and other entities and individuals, other documents, and materials whose divulgence will have an adverse impact on national security or public interest, shall strictly undergo the relevant procedures in accordance with the relevant regulations of the state.

## OVERVIEW OF SANCTIONS LAWS IN THE UNITED STATES

Set out below is a summary of the sanctions regimes administered by the U.S. and is not intended to provide an exhaustive description of all relevant sanctions laws and regulations.

### United States Sanctions Laws

OFAC administers and enforces U.S. primary sanctions programs, and violation of primary sanctions carries monetary and criminal penalties. It has also enacted secondary sanctions targeting non-U.S. Persons who are engaged in certain defined activities.

#### *Primary sanctions*

In general, U.S. primary sanctions apply to U.S. Persons or activities involving a U.S. nexus (e.g., funds transfers in U.S. currency even if performed by non-U.S. Persons).

U.S. primary sanctions may also be applied to non-U.S. Persons who cause U.S. Persons to violate sanctions or otherwise facilitate the violation of some sanctions programs. In addition, U.S. primary sanctions prohibit U.S. Persons, wherever located, from approving, financing, facilitating or guaranteeing any transaction by a foreign person where the transaction by that foreign person would be prohibited if performed by a U.S. Person or within the United States. This is generally known as the prohibition on "facilitation".

There are two types of U.S. primary sanctions programs — "country based" programs and "list based" programs. Violations of either type can result in "strict" civil liability (not a negligence standard) where fines and penalties may be imposed. In addition, wilful violations may result in criminal liability, punishable by imprisonment and elevated fines.

"Comprehensive country based" sanctions programs prohibit U.S. Persons from dealing in any manner with a Comprehensively Sanctioned Country and their governments. "Limited country-based" sanctions programs, which are often referred to as "sectoral sanctions", prohibit U.S. Persons from participating in certain types of transactions with particular persons related to the sanctioned country and their governments. "List based" programs prohibit U.S. Persons from dealing with or facilitating dealings with individuals, entities and organizations that have been designated as SDNs by the OFAC.

***Secondary sanctions***

The U.S. has also enacted secondary sanctions targeting non-U.S. Persons who are engaged in certain defined activities. Secondary sanctions grant broad discretion to the U.S. President and his delegated representatives to deny access to the U.S. economic system to non-U.S. Persons who have been determined to engage in the specified transaction. The imposition of penalties under secondary sanctions legislation is a mechanism that the U.S. employs to punish and deter non-U.S. parties from certain behavior and transactions.

***Certain United States Sanctions Programs***

During the Track Record Period, we had direct sales to customers in Russia and Zimbabwe, and indirect sales involving end customers in Myanmar and North Korea through PRC domestic trading partners.

North Korea is a comprehensively sanctioned country subject to a comprehensive embargo. The applicable sanctions framework is established by, among other authorities, the North Korea Sanctions and Policy Enhancement Act of 2016, as amended, the North Korea Sanctions Regulations and multiple Executive Orders of the United States, including Executive Order 13722 and Executive Order 13810. These measures prohibit U.S. Persons from engaging in almost all transactions involving North Korea. Secondary sanctions authorities target non-U.S. persons determined to knowingly engage in significant transactions with North Korea across designated sectors, including mining, manufacturing, and transportation. Under the North Korea Sanctions Regulations, U.S. can impose sanctions on any person determined to, among other things, operate in the mining industries in North Korea.

While Russia, Myanmar and Zimbabwe are not comprehensively sanctioned countries, the United States maintains distinct sanctions programs against Russia, Myanmar, and Zimbabwe, each tailored to address specific foreign policy and national security concerns. The Russia sanctions primarily target activities related to its war in Ukraine, election interference, and malicious cyber operations. Since the Russia-Ukraine war in 2022, Russia's sanctions have become extensive, covering broad sectors like energy, finance, and technology. The Myanmar sanctions focus on the military regime responsible for the 2021 coup and human rights abuses against ethnic minorities, including the Rohingya. The Zimbabwe sanctions target individuals and entities undermining democratic processes and committing human rights abuses under the regime's leadership.