
REGULATORY OVERVIEW

This section sets forth a summary of the most significant rules and regulations that affect our business activities in the PRC.

REGULATIONS ON CORPORATION AND FOREIGN INVESTMENT

The establishment, operation, and management of companies in China are mainly governed by the Company Law of the PRC (中華人民共和國公司法) (the “Company Law”), which was promulgated by the Standing Committee of the National People’s Congress of the PRC (the “SCNPC”) on December 29, 1993 and came into effect on July 1, 1994. The Company Law was subsequently amended in 1999, 2004, 2005, 2013, 2018 and 2023. The latest amended Company Law came into effect on July 1, 2024. The Company Law generally governs two types of companies—limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of shareholders is limited to the amount of registered capital they committed to contribute. The Company Law also applies to foreign investment companies, subject to other applicable laws on foreign investment.

In March 2019, the Foreign Investment Law of the PRC (中華人民共和國外商投資法) (the “Foreign Investment Law”) was adopted by the second meeting of the 13th National People’s Congress and came into effect on January 1, 2020. On December 26, 2019, the State Council promulgated Regulation for Implementing the Foreign Investment Law of the PRC (中華人民共和國外商投資法實施條例), or the Implementation Regulation, which became effective on January 1, 2020.

The Foreign Investment Law and the Implementation Regulation apply the administrative system of pre-establishment national treatment and negative list to foreign investment, and clarify the state shall develop a catalogue of industries for encouraging foreign investment to specify the industries, fields, and regions where foreign investors are encouraged and directed to invest. Investment activities in the PRC of foreign investors were principally governed by the Catalogue of Industries for Guiding Foreign Investment (外商投資產業指導目錄), which was promulgated by the Ministry of Commerce of the People’s Republic of China (the “MOFCOM”) and the National Development and Reform Commission (the “NDRC”) and was replaced by the Special Administrative Measures for the Access of Foreign Investment (Negative List) (2024 Version) (外商投資准入特別管理措施(負面清單)(2024年版)), or 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)), or the Encouraging List. The 2024 Negative List, which came into effect on November 1, 2024, sets out special administrative measures in respect of the access of foreign investment and the Encouraging List, which came into effect on February 1, 2026, 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.

The Measures on Reporting of Foreign Investment Information (外商投資信息報告辦法) was released by the MOFCOM and the State Administration for Market Regulation (the “SAMR”) on December 30, 2019, and became effective on January 1, 2020. Foreign investors directly or indirectly conducting investment activities within the territory of China shall submit the investment information through submission of initial reports, change reports, deregistration reports, annual reports etc. to the competent commerce authorities in accordance with The Measures on Reporting of Foreign Investment Information.

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REGULATIONS ON OVERSEAS [REDACTED]

Overseas [REDACTED]

On February 17, 2023, China Securities Regulatory Commission, or the CSRC, issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (the “Overseas Listing Trial Measures”), and five relevant supporting guidelines (together with the Overseas Listing Trial Measures, collectively referred to as the “New Regulations on Filing”), which took effect on March 31, 2023. The New Regulations on Filing refine the regulatory system for domestic company’s overseas offering and listing by subjecting both direct and indirect overseas offering and listing activities to the filing-based administration, and clearly define the circumstances where provisions for direct and indirect overseas offering and listing apply and relevant regulatory requirements. According to the Overseas Listing Trial Measures, where a domestic company seeks to directly offer and list securities in overseas markets, the issuer shall file with the CSRC. Initial public offerings or listings in overseas markets shall be filed with the CSRC within three (3) working days after the relevant application is submitted overseas. Failure to complete the filing required by the Overseas Listing Trial Measures may result in a warning and a fine between RMB1 million and RMB10 million as for the domestic entity.

In addition, on February 24, 2023, the CSRC promulgated 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), or the Confidentiality and Archives Administration Provisions. According to the Confidentiality and Archives Administration Provisions, where a 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 first obtain approval from competent authorities according to law and file with the secrecy administrative department at the same level. To provide accounting archives or copies to relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, a PRC domestic company shall perform the corresponding procedures in compliance with applicable national regulations.

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REGULATIONS ON PROJECT DESIGN, CONSTRUCTION AND INSTALLATION

Construction Industry

Pursuant to the Construction Law of the People’s Republic of China (中華人民共和國建築法) promulgated by the SCNPC on November 1, 1997, which took effect on March 1, 1998 and was last amended and implemented on April 23, 2019 (the “Construction Law”), the contracting entities of construction projects shall contract projects with qualification certificates obtained in accordance with law and within the business scope permitted by their respective level of qualification. Building construction enterprises shall not only be prohibited to contract projects beyond the business scope permitted by their respective qualification grades or in the name of other building construction enterprises in any form, but also be prohibited to permit in any form other units or individuals in the use of their qualification certificates and business licenses to contract projects in the name of their respective enterprises. An enterprise undertaking projects by exceeding its qualification level or without obtaining a qualification certificate, shall be subject to penalties including being ordered to cease violations, imposition of fines, suspension of business for rectification, being downgraded to a lower level of qualifications, revocation of qualification certificates, and confiscation of illegal income.

According to the Regulations on the Administration of Survey and Design of Construction Projects (建設工程勘察設計管理條例) promulgated by the State Council on September 25, 2000, which was latest revised and implemented on October 7, 2017, the government has implemented a qualification administration system for entities engaged in surveying and designing activities of construction projects. The entities engaged in surveying and designing activities of construction projects shall contract for the surveying or designing engagements of construction projects within the approved scope of their respective qualifications. An enterprise undertaking projects without obtaining a qualification certificate shall be subject to penalties including being banned, imposition of fines, and confiscation of illegal income.

Pursuant to the Administrative Provisions on the Qualification of Construction Enterprises (建築業企業資質管理規定) and Reform Plan for the Qualification Management System of Construction Enterprises (建設工程企業資質管理制度改革方案), under the reform, the categories of enterprise qualifications have been further streamlined: the grade levels for surveying, design, construction, and supervision are reduced to two tiers (Grade A and Grade B), while the construction labor qualification is converted into a filing system. The approval authority is delegated to provincial-level departments. The reform also introduces a notification and commitment system, promotes the use of electronic certificates, and strengthens ongoing and ex-post supervision.

Contracting and Subcontracting

The principal regulatory requirements for contracting and subcontracting under the Construction Law include qualification requirements, prohibiting subcontracting entire projects or dividing a project into parts and subcontracting, etc. and it also clearly stipulates the responsibility methods for the quality of projects involved in contracting and subcontracting as follows: an entity contracting to undertake a construction project must hold a legally-obtained certificate of qualification and undertake the project within the business scope permitted for the corresponding grade of qualification; a contractor is prohibited from subcontracting the entire construction project undertaken to others or dividing the entire construction project into parts and subcontracting those parts to others; a general contractor of a construction project may subcontract part of the contracted project to a subcontractor with appropriate qualification, provided, however, it must be approved by the construction project owner, except for the subcontracting agreed in the general contracting agreement. In case of general contracting, the construction of the primary structure of a project shall be completed by the general contractor itself. The general contractor of a construction project shall be accountable to the construction project owner as agreed in the general contractor agreement; and the subcontractor(s) shall be accountable to the general contractor as agreed in the subcontractor agreement.

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The Administrative Provisions on the Qualification of Construction Enterprises, the Standards of Qualifications for Construction Enterprises (建築業企業資質標準) issued by the Ministry of Housing and Urban-Rural Development (the “MOHURD”) on November 6, 2014, and the Measures for the Administration of Construction Subcontracting of Building and Municipal Infrastructure Construction Projects (房屋建築和市政基礎設施工程施工分包管理辦法) which most was recently amended on March 13, 2019, also contain relevant provisions on subcontracting.

According to the Administrative Provisions on the Qualification of Construction Enterprises, the qualifications for construction enterprises are classified into three series: general contractor qualification, specialty contractor qualification and labor subcontractor qualification. According to General Provision “III. Scope of Business” under the Standards of Qualifications for Construction Enterprises, enterprises obtaining specialty contractor qualifications may undertake the specialty works legally sub-contracted by enterprises with general contractor qualifications or the specialty works legally awarded by construction project owners. Enterprises obtaining labor contractor qualifications may undertake the labor works subcontracted by enterprises with general contractor qualifications or specialty contractor qualifications. Furthermore, the Measures for the Administration of Construction Subcontracting of Building and Municipal Infrastructure Construction Projects specifies that either of general contractors or specialty contractors may award their labor works to labor subcontracting enterprises.

In addition, we also need to comply with relevant standards. For example, JGJ91–2019 Standard for Design of Scientific Research Buildings (科研建築設計標準) mainly specifies the design requirements for the site selection, layout, building structure, water supply and drainage, HVAC, electrical and intelligent systems of scientific research buildings, aiming to ensure rational functional zoning, safety, energy efficiency, and compliance with scientific research process requirements. Meanwhile, GB19489–2008 General Requirements for Laboratory Biosafety (實驗室生物安全通用要求) sets forth the general requirements for laboratory biosafety grading management, facility and equipment configuration, personal protective equipment, operating procedures, waste disposal, and emergency response, with the purpose of effectively controlling risks associated with biological agents and ensuring the safety of laboratory personnel, samples, and the environment.

REGULATIONS ON ENVIRONMENTAL PROTECTION

Environmental Protection

The Environmental Protection Law of the People’s Republic of China (中華人民共和國環境保護法), promulgated by the Standing Committee of the National People’s Congress on December 26, 1989, effective on the same date, and most recently amended on April 24, 2014 with effect from January 1, 2015, sets out the powers and responsibilities of environmental protection regulatory authorities. The competent environmental protection department of the State Council is authorized to promulgate national environmental quality standards and national pollutant discharge standards, and to exercise unified supervision and administration over environmental protection nationwide. Meanwhile, local environmental protection authorities may formulate more stringent local pollutant discharge standards. In such circumstances, enterprises concerned are required to comply with both national standards and applicable local standards. The Ecological and Environmental Code of the People’s Republic of China was adopted at the Fourth Session of the 14th National People’s Congress on March 12, 2026, shall come into force on August 15, 2026, and upon its effective date, the Environmental Protection Law of the People’s Republic of China will be repealed simultaneously.

Environmental Impact Assessment

Pursuant to the Regulations on the Administration of Environmental Protection for Construction Projects (建設項目環境保護管理條例), promulgated by the State Council on November 29, 1998, most recently amended on July 16, 2017 and effective from October 1, 2017, construction entities are required to prepare and submit an environmental impact report, an environmental impact report form, or an environmental impact registration form, depending on the

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potential environmental impact of the construction project. For projects requiring an environmental impact report or report form, the construction entity must submit the relevant documents to the competent environmental protection administrative authority for approval prior to commencement of construction. Where the environmental impact assessment documents have not been reviewed or approved in accordance with the law, the construction entity shall not commence construction.

Pollutant Discharge

Pursuant to the Measures for the Administration of Pollutant Discharge Permits (for Trial Implementation) (排污許可管理辦法(試行)), promulgated by the former Ministry of Environmental Protection (now the Ministry of Ecology and Environment) on January 10, 2018 and partially amended on August 22, 2019, and the Measures for the Administration of Pollutant Discharge Permits (排污許可管理辦法), promulgated on April 1, 2024 and effective from July 1, 2024, enterprises, public institutions and other producers and operators subject to pollutant discharge permit administration (collectively, “pollutant-discharging entities”) are required to apply for and obtain pollutant discharge permits, and to discharge pollutants strictly in accordance with the terms of such permits. Entities that fail to obtain pollutant discharge permits as required are prohibited from discharging pollutants.

Pursuant to the Classified Management List for Pollutant Discharge Permits for Fixed Pollution Sources (2019 Edition) (固定污染源排污許可分類管理名錄(2019年版)) issued by the Ministry of Ecology and Environment on December 20, 2019, pollutant discharge permits are subject to three categories of administration, namely key management, simplified management, and registration-based management, based on factors such as the quantity of pollutants generated and discharged and the degree of environmental impact. Only entities subject to registration-based management are not required to apply for pollutant discharge permits.

REGULATIONS ON SAFETY PRODUCTION

According to the Safety Production Law of the PRC (中華人民共和國安全生產法), promulgated by the SCNPC on June 29, 2002 and last amended with effect from September 1, 2021, any enterprise that carries out production and business operation activities shall (1) abide by the Safety Production Law of the PRC and other laws and regulations related to production safety, strengthen production safety management, and establish a sound production safety responsibility system and formulate a set of production safety rules and regulations for all employees; (2) increase the efforts to guarantee the input of funds, supplies, technology and personnel to production safety, improve production safety conditions, and strengthen standardization and informatization of production safety; (3) construct a “dual-prevention” mechanism consisting of graded management and control of safety risks and examination and control of potential risks, improve the risk prevention and resolution mechanism, enhance production safety levels and ensure production safety. Enterprises that do not have the conditions for safe production shall not engage in production and business activities.

The person in charge of an enterprise shall be fully responsible for the work safety of the enterprise. An enterprise with more than one hundred employees shall set up an institution for the management of work safety or designate full-time staff for the management of work safety. The management personnel of the enterprise in charge of work safety shall conduct regular inspections of the work safety status according to the production and operation characteristics of the enterprise; the safety risks identified during the inspection shall be dealt with immediately; if they cannot be dealt with, they shall be reported to the relevant person in charge in a timely manner, who shall then promptly take measures to eliminate the safety risks. The inspection and measures taken for elimination of the safety risks must be truthfully recorded. Enterprises shall educate their employees on work safety, and truthfully inform them of the dangerous factors that exist in the workplaces and positions, preventive measures and emergency response measures. In addition, enterprises must provide employees with personal protective equipment that meets national or industry standards, and supervise and train employees to use the equipment.

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Pursuant to the Regulations on the Safety Administration of Construction Engineering (建設工程安全生產管理條例, effective as of February 1, 2004) and the Regulations on the Safety Permit for Production (安全生產許可證條例, effective as of January 13, 2004, as amended), any construction enterprise shall: (1) establish a sound full-staff responsibility system for production safety and formulate safety management rules; (2) obtain a safety permit for production before commencing any construction work; and (3) take effective safety protection measures at the construction site. Enterprises that do not meet the required safety conditions shall not engage in construction activities.

REGULATIONS ON PRODUCT LIABILITY

According to the Product Quality Law of the People’s Republic of China (中華人民共和國產品質量法) promulgated by the SCNPC on February 22, 1993 and most recently amended on December 29, 2018, it is prohibited to manufacture or sell products that do not comply with the standards and requirements for safeguarding human health and the safety of persons and property. The products must not present any unreasonable risk of endangering the safety of persons and property. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller. Any producer or seller who produces or sells substandard products shall be ordered to stop production or sale, the products illegally produced or sold shall be confiscated, and a fine shall be imposed; If there are any illegal gains, the illegal gains shall be confiscated concurrently; If the circumstances are serious, the business license shall be revoked.

According to the Civil Code, if a defect of a product causes damage to another person, the infringed person may claim compensation against the manufacturer or the seller of the product. If the infringer knows that the product is defective and still produces or sells it, or fails to take effective remedial measures in accordance with the provisions of the Civil Code, resulting in the death of another person or serious damage to the health of another person, the infringed person shall be entitled to claim corresponding punitive damages. If a product is defective due to the fault of a third party, such as a transporter or warehouseman, and causes damage to another person, the producer or seller of the product shall have the right to recover compensation from the third party after making compensation to the infringed person.

REGULATIONS ON IMPORT AND EXPORT OF GOODS

In accordance with the Foreign Trade Law of the People’s Republic of China (中華人民共和國對外貿易法) promulgated by the SCNPC on May 12, 1994 and amended and effective on April 6, 2004, November 7, 2016, December 30, 2022 and December 27, 2025 respectively, and the Notice on Matters Relating to the Filing of Consignees and Consignors of Imported and Exported Goods (海關總署企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知) issued by the General Administration of Customs of the People’s Republic of China on January 3, 2023 and effective on the same date, the consignee or consignor of imported or exported goods applying for filing should obtain the qualification of the market entity, but no filing for foreign trade operators is required.

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, and last amended on April 29, 2021, the consignee of imported goods, the consignor of exported goods, and the owner of inbound and outbound goods are the taxpayers of customs duties. For the imported and exported goods, unless otherwise provided for, customs declaration and tax payment procedures may be completed by the consignee or consignor of the imported and exported goods, or the consignee or consignor of import and export goods may entrust a customs declaration enterprise to complete the customs declaration and tax payment procedures. The consignees and consignors for imported or exported goods and the customs brokers engaged in customs declaration shall be filed with the customs in accordance with the law.

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Pursuant to the Regulations of the People’s Republic of China on the Administration of Import and Export of Goods (中華人民共和國貨物進出口管理條例) (“Regulations on the Administration of Import and Export of Goods”) promulgated by the State Council on December 10, 2001 and last amended on March 10, 2024, which came into effect on May 1, 2024, goods whose import or export is prohibited shall not be imported or exported; goods whose import or export is restricted shall be subject to a licensing or quota system; and goods whose import or export is free shall not be subject to restriction. The consignee of imported goods or the consignor of exported goods shall submit an automatic import and export license, an import and export license or a quota certificate to the customs for customs clearance.

The Export Control Law of the People’s Republic of China (中華人民共和國出口管制法) (the “Export Control Law”) came into force on December 1, 2020. The Export Control Law is China’s first comprehensive and integrated export control law, which sets out provisions for the export control of dual-use goods, military supplies, nuclear energy products, goods related to the protection of national security and interests and other commodities, science and technology, services and goods, as well as fulfilling the responsibilities related to the international prohibition of nuclear proliferation.

REGULATIONS ON INTELLECTUAL PROPERTY

Copyright and Software 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 implemented on June 1, 1991, and finally revised on November 11, 2020 and came into effect on 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 finally revised on January 30, 2013. Copyright holders enjoy a variety of personal and property rights, including the right of publication, the right of authorship, the right of reproduction, and the right of communication of information on networks.

Pursuant to the Regulation on Computer Software Protection (計算機軟件保護條例) promulgated on June 4, 1991 by the State Council and last amended on January 30, 2013 and the Measures for the Registration of Computer Software Copyright (計算機軟件著作權登記辦法) promulgated on April 6, 1992 and last amended by the National Copyright Administration on February 20, 2002, 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 Regulation on Computers Software Protection.

Trademark

According to the Trademark Law of the PRC (中華人民共和國商標法), promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementing Regulations of the Trademark Law of the People’s Republic of China (中華人民共和國商標法實施條例), which was promulgated by the State Council on August 3, 2002 and revised on April 29, 2014, and became effective on May 1, 2014, the Trademark Office of China National Intellectual Property Administration (the “Trademark Office”) is responsible for the registration and administration of trademarks and resolving trademark disputes in the PRC. Registered trademarks are valid for ten years from the date the registration is approved. A registrant may apply to renew a registration within twelve months before the expiration date of the registration. If the registrant fails to apply in a timely manner, a grace period of six additional months may be granted. If the registrant fails to apply before the grace period expires, the registered trademark shall be deregistered.

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Patents

According to the Patent Law of the People’s Republic of China (中華人民共和國專利法) (the “Patent Law”), which was promulgated by the SCNPC on March 12, 1984 and revised on September 4, 1992, August 25, 2000, December 27, 2008 and October 17, 2020 respectively, and became effective on June 1, 2021, and the Rules for Implementation of the Patent Law of the People’s Republic of China (中華人民共和國專利法實施細則), which was promulgated by the State Council on June 15, 2001 and revised on December 28, 2002, January 9, 2010, December 11, 2023, and became effective on January 20, 2024, the patent administration department under the State Council shall be responsible for the patent-related work in China. It accepts and examines patent applications in a uniform way and grants patent rights in accordance with the law. The Patent Law and its implementation rules provide for three types of patents, namely “inventions,” “utility models” and “designs”. Invention patents are valid for twenty years, utility model patents are valid for ten years, and since June 1, 2021, the validation period for design patents whose application date is after June 1, 2021 has been extended to fifteen years in each case from the date of application. An invention or a utility model must possess novelty, inventiveness and practical applicability to be patentable. Third Parties must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the unauthorized use constitutes an infringement on the patent rights.

Domain Names

The Administrative Measures on Internet Domain Names (互聯網域名管理辦法) (the “Domain Name Measures”) was promulgated by the MIIT on August 24, 2017, and came into effect on November 1, 2017. According to the Domain Name Measures, any party that has domain name root servers, and the institution for operating domain name root servers, the domain name registry, and the domain name registrar within the territory of the PRC, shall obtain a permit from the MIIT or the communications administration of the local province, autonomous region or municipality directly under the PRC central government. The registration of domain names generally follows a “first-come, first-served” basis and a domain name applicant will become the domain name holder upon the completion of the application procedure.

Trade Secrets

According to the PRC Anti-Unfair Competition Law (中華人民共和國反不正當競爭法), promulgated by the SCNPC in September 1993, as last amended on June 27, 2025 respectively, the term “trade secrets” refers to technical and business information that is unknown to the public, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the PRC Anti-Unfair Competition Law, business persons are prohibited from infringing others’ trade secrets by: (1) obtaining the trade secrets from the legal owners or holders by any unfair methods such as theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (2) disclosing, using or permitting others to use the trade secrets obtained illegally under item above; (3) disclosing, using or permitting others to use the trade secrets, in violation of any contractual agreements or any requirements of the legal owners or holders to keep such trade secrets in confidence; or (4) instigate, induce or assist others to violate confidentiality obligation or to violate a rights holder’s requirements on keeping confidentiality of commercial secrets, so as to disclose, use or allow others to use the commercial secrets of the rights holder. If a third party knows or should have known of the above-mentioned illegal conduct but nevertheless obtains, uses or discloses trade secrets of others, the third party may be deemed to have committed a misappropriation of the others’ trade secrets.

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REGULATIONS ON CYBERSECURITY, DATA SECURITY AND PERSONAL INFORMATION PROTECTION

Cybersecurity and Data Security

On November 7, 2016, the SCNPC issued the PRC Cybersecurity Law (中華人民共和國網絡安全法) (the “Cybersecurity Law”), which came into effect on June 1, 2017. On October 28, 2025, the Standing Committee of the National People’s Congress revised the Cybersecurity Law, and the revised version came into effect on January 1, 2026. The revised law has increased the liabilities of network operators for violations. The Cybersecurity Law requires network operators to establish internal security management systems in accordance with the classified cybersecurity protection regime, including appointing dedicated cybersecurity personnel, taking technical measures to prevent computer viruses, network attacks and intrusions, taking technical measures to monitor and record network operation status and cybersecurity incidents, and taking data security measures such as data classification, backups and encryption. The Cybersecurity Law emphasizes that any individuals and organizations that use networks must not endanger network security or engage in unlawful activities. Any violation of the Cybersecurity Law may subject obligated entities such as network operators to warnings, fines, confiscation of illegal gains, revocation of licenses, shutdown of websites or even criminal liabilities.

On December 28, 2021, the Cyberspace Administration of China (the “CAC”) and several other PRC governmental authorities jointly promulgated the Cybersecurity Review Measures (網絡安全審查辦法), which provide that (1) network platform operators in possession of over one million users’ personal information shall apply with the Cybersecurity Review Office for a cybersecurity review when listing in a foreign country; (2) operators of “critical information infrastructure” that intend to purchase network products and services that will or may affect national security shall apply for a cybersecurity review; and (3) network platform operators carrying out data processing that will affect or may affect national security shall apply for a cybersecurity review. The Cybersecurity Review Measures became effective on February 15, 2022 and replaced the Measures for Cybersecurity Review promulgated in April 2020.

On June 10, 2021, the SCNPC issued the PRC Data Security Law (中華人民共和國數據安全法), which has taken effect on September 1, 2021. The PRC Data Security Law provides a national data security review system, under which data processing activities that affect or may affect national security shall be reviewed. In addition, it clarifies the data security protection obligations of organizations and individuals carrying out data activities and implementing data security protection responsibility. On September 24, 2024, the State Council published the Network Data Security Management Regulations (網絡數據安全管理條例), which became effective on January 1, 2025. The Network Data Security Management provides that data processors conducting the data processing activities that affect or may affect national security shall apply for cybersecurity review in accordance with the relevant laws and regulations.

On July 30, 2021, the State Council promulgated the Regulations for the Security Protection of Critical Information Infrastructure (關鍵信息基礎設施安全保護條例), which became effective on September 1, 2021, referring “critical information infrastructures” as important network facilities and information systems in important industries including public communications and information services, as well as those that may seriously endanger national security, national economy, people’s livelihood, or public interests in the event of damage, loss of function, or data breach. Pursuant to the Regulations for the Security Protection of Critical Information Infrastructure, the relevant government authorities are responsible for stipulating rules for the identification of critical information infrastructures with reference to several factors set forth therein and further identifying the critical information infrastructure in the related industries in accordance with such rules. The relevant authorities must also notify operators of the determination as to whether they are categorized as critical information infrastructure operators.

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On July 7, 2022, the CAC issued the Measures for the Security Assessment of Data Cross-border Transfer (數據出境安全評估辦法) (the “Security Assessment Measures”), which became effective on September 1, 2022. The Security Assessment Measures require that any data processor providing important data collected and generated during operation within the territory of the PRC or personal information that should be subject to security assessment according to law to an overseas recipient shall conduct security assessment. On March 22, 2024, the CAC issued the Provisions on Facilitating and Regulating Cross-Border Data Flows (促進和規範數據跨境流動規定) (the “Cross-Border Data Flows Provisions”), which provides the following circumstances under which data processors shall apply to the national cyberspace administration for security assessment of cross-border data transfer: (1) critical information infrastructure operators providing personal information or important data overseas; and (2) data processors other than critical information infrastructure operators providing important data overseas, or cumulatively providing overseas personal information (excluding sensitive personal information) of more than one million individuals or sensitive personal information of more than 10,000 individuals since January 1 of the current year. “Important data” is defined under Security Assessment Measures as any data, the tampering, damage, leakage, or illegal acquisition or use of which, may endanger national security, the operation of the economy, social stability, public health and security, etc. The Cross-Border Data Flows Provisions also provides that, where the data processors other than critical information infrastructure operators provide personal information (excluding sensitive personal information) overseas of not less than 100,000 but not more than one million individuals, or the sensitive personal information of not more than 10,000 individuals, cumulatively as of January 1 of the current year, it shall conclude a standard contract with overseas recipients or pass the authentication on personal information protection. In addition, the Cross-Border Data Flows Provisions clarifies that data processors are not required to conduct security assessment for outbound data transfer for data that has not been notified or published as “important data” by relevant departments or regions. Any failure to comply with such requirements may subject us to, among others, suspension of services, fines, revoking relevant business permits or business licenses and penalties.

Personal Information Protection

The Civil Code of the PRC (中華人民共和國民法典) (the “Civil Code”) that was issued on May 28, 2020 and became effective on January 1, 2021, provides that a natural person’s personal information shall be protected by the law. Any organization or individual shall legally obtain the personal information of others when necessary and ensure the safety of such personal information, and shall not illegally collect, use, process or transmit the personal information of others, or illegally buy or sell, provide or make public the personal information of others. The Cybersecurity Law imposes certain data protection obligations on network operators, including that network operators may not disclose, tamper with, or damage users’ personal information that they have collected, and are obligated to delete unlawfully collected information and to amend incorrect information.

Pursuant to the Ninth Amendment to the Criminal Law (中華人民共和國刑法修正案(九)) issued by the SCNPC on August 29, 2015, any internet service provider that fails to fulfill the obligations related to the internet information security administration as required by the applicable laws and refuses to rectify upon orders, shall be subject to criminal penalty. Pursuant to the Interpretation of the Supreme People’s Court and the Supreme People’s Procuratorate on Several Issues regarding Legal Application in Criminal Cases Infringing upon the Personal Information of Citizens (最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋), which was issued on May 8, 2017, the following activities may constitute the crime of infringing upon a citizen’s personal information: (1) providing a citizen’s personal information to specified persons or releasing a citizen’s personal information online or through other methods in violation of relevant national provisions; (2) providing legitimately collected information relating to a citizen to others without such citizen’s consent (unless the information is processed, not traceable to a specific person and not recoverable); (3) collecting a citizen’s personal information in violation of applicable

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rules and regulations when performing a duty or providing services; or (iv) collecting a citizen’s personal information by purchasing, accepting or exchanging such information in violation of applicable rules and regulations.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of the People’s Republic of China (中華人民共和國個人信息保護法) (the “Personal Information Protection Law”), which became effective on November 1, 2021. According to the Personal Information Protection Law, personal information refers to any kind of information related to an identified or identifiable natural person as electronically or otherwise recorded, excluding information that has been anonymized. Processing of personal information includes the collection, storage, use, processing, transmission, provision, disclosure and deletion of personal information. Processing of personal information shall be for a specified and reasonable purpose and conducted in a way that has the least impact on personal rights and interests. Collection of personal information shall be limited to the minimum scope necessary for achieving the purpose of processing. In addition, the Personal Information Protection Law specifically specifies the rules for processing sensitive personal information, i.e., personal information that, once leaked or illegally used, may easily cause harm to the dignity of natural persons or grave harm to personal or property security. Entities processing personal information shall bear responsibility for their personal information processing activities and adopt the necessary measures to safeguard the security of the personal information. Otherwise, entities processing the personal information will be ordered to correct or suspend or terminate the provision of services, confiscation of illegal income, fines or other penalties.

REGULATIONS ON REAL ESTATES

Pursuant to the Land Administration Law of the PRC (中華人民共和國土地管理法) promulgated by the SCNPC on June 25, 1986, latest amended on August 26, 2019 and became effective on January 1, 2020, the PRC applies a system of control over the purposes of use of land, including land for agriculture, land for construction and unused land. All units and individuals shall use land in strict compliance with the purposes of use defined in the overall plans for land utilization. Registration of the ownership and the right to the use of land shall be governed by the laws and administrative regulations relating to real estate registration and the legally registered ownership and right to the use of land shall be protected by law.

The Interim Regulations on Real Estate Registration (不動產登記暫行條例), promulgated by the State Council on November 24, 2014 and last amended on March 10, 2024, and the Implementing Rules of the Interim Regulations on Real Estate Registration (不動產登記暫行條例實施細則) promulgated by the Ministry of Land and Resources on January 1, 2016 and last amended on May 21, 2024, provide that, among other things, the State implements a uniform real estate registration system and the registration of real estate shall follow the principles of strict administration, stability, continuity, and convenience for the masses.

According to the Administrative Measures for Commodity House Leasing (商品房屋租賃管理辦法) which was promulgated by the MOHURD on December 1, 2010 and came into effect on February 1, 2011, the parties to a commodity house lease shall complete the lease registration with the competent construction (real-estate) departments of the municipalities directly under the central government, cities and counties where the leased property is located within 30 days after the lease is executed. The competent construction (real estate) departments of the municipalities directly under the central government, cities and counties shall order the lease record filing to make corrections within a prescribed time limit, and shall impose a fine below RMB1,000 on individuals who fail to rectify within the specified time limit, and a fine between RMB1,000 and RMB10,000 on institutions which fail to rectify within the specified time limit.

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REGULATIONS ON FOREIGN EXCHANGE

The principal regulations governing foreign currency exchange in the PRC are the PRC Foreign Exchange Administration Regulations (中華人民共和國外匯管理條例), or the Foreign Exchange Administration Regulations, which were promulgated by the State Council on January 29, 1996, and last amended on August 5, 2008. Under the Foreign Exchange Administration Regulations, Renminbi is generally 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 of China, unless prior approval of the State Administration of Foreign Exchange (“SAFE”) or its local counterparts has been obtained.

SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign Invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知), or the SAFE Circular 19, and further promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (國家外匯管理局關於改革和規範資本項目結匯管理政策的通知), or the SAFE Circular 16, effective on June 9, 2016, which, among other things, amended certain provisions of SAFE Circular 19. According to SAFE Circular 19 and SAFE Circular 16, the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign investment company is regulated such that Renminbi capital may not be used for business beyond its business scope or to provide loans to persons other than affiliates unless otherwise permitted under its business scope. Violations of SAFE Circular 19 or SAFE Circular 16 could result in administrative penalties.

On October 23, 2019, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (國家外匯管理局關於進一步促進跨境貿易投資便利化的通知) (the “SAFE Circular 28”), which cancels the restrictions on domestic equity investments by capital fund of non-investment foreign invested enterprises and allows them to use their capital funds to lawfully make equity investments in China, on the premise of no violation of the existing negative list and the authenticity and compliance with the laws. According to the Circular of the State Administration of Foreign Exchange on Optimizing Administration of Foreign Exchange 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) (the “SAFE Circular 8”), issued by SAFE on April 10, 2020, on the premise of ensuring that the use of funds is genuine and compliant and in line with the existing regulations on use of income under the capital account, eligible enterprises are allowed to make domestic payments by using their capital account income such as capital funds, foreign debt, fund raising from overseas listings, without providing the authenticity proof materials to the bank in advance for each payment. The interpretation and implementation in practice of SAFE Circular 28 and SAFE Circular 8 are still subject to substantial uncertainties.

On May 10, 2013, the SAFE issued the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors (外國投資者境內直接投資外匯管理規定) (the “SAFE Circular 21”), which became effective on May 13, 2013, amended on October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 21 specifies that the administration by SAFE or its local branches over direct investment by foreign investors in the PRC must be conducted by way of registration and banks must process foreign exchange business relating to the direct investment in the PRC based on the registration information provided by SAFE and its branches.

According to the Notice on Issues Concerning the Administration of Funds Raised from Overseas Listing by Domestic Enterprises (關於境內企業境外上市資金管理有關問題的通知) jointly issued by the People’s Bank of China and the State Administration of Foreign Exchange on December 26, 2025, a domestic enterprise that conducts an overseas listing shall, within 30 working days from the first trading day of the overseas listing or from the completion of the [REDACTED], apply to a bank within the provincial or separate-planning city region where it is registered for overseas listing registration. The proceeds from the overseas listing shall, in principle, be repatriated

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to the domestic territory in a timely manner; if the proceeds are to be retained overseas for purposes such as overseas direct investment, overseas securities investment, or overseas loans, the enterprise shall obtain the approval or filing approval from the competent authority for the relevant business before the completion of the overseas listing issuance or the over-allotment, and shall comply with the relevant cross-border fund administration rules. The proceeds from the overseas listing and from share transfers may be repatriated in foreign currency or RMB. For the listed entity participating in the full circulation of H shares, dividends distributed to domestic shareholders shall be paid in RMB within the domestic territory. The use of such proceeds shall be consistent with those described in the public disclosure documents, including the document or corporate bond offering circular, circulars to shareholders, and resolutions of the board of directors or general meetings.

REGULATIONS ON DIVIDEND DISTRIBUTIONS

Pursuant to the Company Law, when a company distributes its after-tax profits for the current year, it shall set aside 10% of the profits to be included in the company’s statutory reserve. A company may elect not to do so if its aggregate statutory reserve reaches 50% or more of its registered capital. If a company’s statutory reserve is insufficient to cover previous years’ losses, the current year’s profits shall first be used to cover such losses before statutory reserve is set aside. After a company sets aside an amount for statutory reserve from its after-tax profits, it may, subject to a resolution of the shareholders’ meeting, set aside an amount for discretionary reserve from its after-tax profits. Furthermore, the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the “EIT Law”) provides that dividends paid by a PRC entity to a non-resident enterprise for income tax purposes is subject to PRC withholding tax at a rate of 10%, subject to reduction by an applicable tax treaty with China.

REGULATIONS ON TAXATION

Enterprise Income Tax

According to the EIT Law, promulgated by the SCNPC on March 16, 2007, which became effective on January 1, 2008 and was amended on February 24, 2017 and December 29, 2018, and the Implementation Rules of the EIT Law (中華人民共和國企業所得稅法實施條例), promulgated by the State Council on December 6, 2007, which became effective on January 1, 2008, and amended on April 23, 2019, a domestic enterprise which is established within the PRC in accordance with the laws or established in accordance with any laws of foreign country (region) but with an actual management entity within the PRC shall be regarded as a resident enterprise. A resident enterprise shall be subject to an EIT rate of 25% of any income generated within or outside the PRC. A preferential EIT rate shall be applicable to any key industry or project which is supported or encouraged by the State. High and new technology enterprises which are supported by the State may enjoy a preferential EIT rate of 15%.

Value-Added Tax

Pursuant to the Provisional Regulations on Value-added Tax of the People’s Republic of China (中華人民共和國增值稅暫行條例) promulgated on December 13, 1993 and last amended on November 19, 2017 and the Rules for the Implementation of the Interim Regulations of the People’s Republic of China on Value-added Tax (中華人民共和國增值稅暫行條例實施細則), which was promulgated on December 25, 1993 and amended on October 28, 2011, and became effective on November 1, 2011, entities and individuals selling goods, providing labor services of processing, repairs or maintenance, or selling services, intangible assets or real property within China, or importing goods to China, shall be identified as taxpayers of value-added tax, and shall pay value-added tax. These Provisional Regulations and their Implementation Rules have now been replaced by the Value-added Tax Law of the People’s Republic of China (中華人民共和國增值稅法).

Pursuant to the Value-added Tax Law of the People’s Republic of China (中華人民共和國增值稅法) promulgated on December 25, 2024, which came into effect from January 1, 2026, entities and individuals engaged in the sale of goods, services, intangible assets, or real estate within China, or

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importing goods to China, shall be identified as taxpayers of value-added tax, and shall pay value-added tax. For taxpayers selling goods, processing, repair or fitting services, or tangible movable property leasing services; or importing goods, the tax rate shall be 13%, unless otherwise specified; for taxpayers selling transportation, postal, basic telecommunications, construction, or real estate leasing services, selling real estate, transferring land use rights, or selling or importing specified goods, the tax rate shall be 9%, unless otherwise specified; for taxpayers selling services or intangible assets, the tax rate shall be 6%, unless otherwise specified; for taxpayers exporting goods, the tax rate shall be zero, except as otherwise provided by the State Council; for entities and individuals within China engaging in cross-border sales of services or intangible assets within the scope defined by the State Council, the tax rate shall be zero.

REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

The Labor Law of the PRC (中華人民共和國勞動法), or the Labor Law, which became effective in January 1995 and was last amended on December 29, 2018, and the Employment Contract Law of the PRC (中華人民共和國勞動合同法), or the Employment Contract Law, effective in January 2008 and amended on December 28, 2012, require employers to provide written contracts to their employees, restrict the use of temporary workers and aim to give employees long-term job security. Employers must pay their employees’ wages equal to or above local minimum wage standards, establish labor safety and workplace sanitation systems, comply with state labor rules and standards, and provide employees with appropriate training on workplace safety.

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, 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.

According to the Administrative Regulations on the Housing Provident Fund, any newly established entity shall make deposit registration at the housing accumulation fund management center within 30 days as of its establishment. Within 30 days of the date an employee is recruited, the entity shall make deposit registration at the housing accumulation fund management center and seal up the employee’s housing accumulation fund account in the bank mentioned above within 30 days from termination of the employment. Any entity that fails to make deposit registration of the housing accumulation fund or fails to open a housing accumulation fund account for its employees shall be ordered to complete the relevant procedures within a prescribed timeframe. Any entity failing to complete the relevant procedure within the timeframe will be imposed a fine of between RMB10,000 to RMB50,000. Any entity fails to make payment of housing provident fund within the timeframe or has shortfall in payment will be ordered to make the payment or make up the shortfall within the prescribed timeframe, otherwise, the housing provident management center is entitled to apply for compulsory enforcement with the PRC courts.