APPLICABLE LAWS AND REGULATIONS TO OUR BUSINESS IN THE PRC

Regulations Related to Tendering and Bidding

The Tendering and Bidding Law of the PRC (《中華人民共和國招標投標法》) promulgated by the Standing Committee of the National People's Congress of the PRC (the "**SCNPC**") on August 30, 1999 and last amended on December 27, 2017, and the Regulation on the Implementation of the Tendering and Bidding Law of the PRC (《中華人民共和國招標投標法實施條例》) promulgated by the State Council on December 20, 2011, and last amended on March 2, 2019, mainly require: (1) Tendering within the territory of the PRC include public tendering and invitational tendering. A tenderer who adopts the public tendering method shall issue a tendering announcement, and a tenderer who adopts the invitational tendering method shall issue invitations for submission of bids to three or more specified legal persons or other specified organizations capable of undertaking the project subject to the tender and having a good reputation and creditworthiness; (2) The tenderer shall not restrict or reject any potential bidder on the unreasonable grounds, or discriminate against any potential bidder. The tendering documents shall not require or indicate any specific supplier or include any other contents that tend to favor or reject potential bidders; (3) The bidder shall prepare its bidding documents according to the requirements of tendering documents, and shall not collude with other bidders or the tenderer, exclude the fair competition of other bidders, as well as cause any harm to national interests, social public interests or the legitimate rights and interests of others; (4) The successful bidder shall perform its obligations under the contract and complete the awarded project, and the bidder shall not transfer the awarded project to others, or split the awarded project to transfer it to others. The successful bidder may, according to the contract or with the consent of the tenderer, subcontract part of the non-subject and non-critical work of the awarded project to others for completion. The person accepting the subcontracts shall meet the relevant qualifications and shall not subcontract it again to other persons. The successful bidder shall be responsible for the subcontracts, and the subcontractor shall bear joint and several liability for the subcontracts.

Any violation of the Tendering and Bidding Law of the PRC may invalidate the awarded project of the successful bidder, and the competent authority has the right to impose administrative penalties such as ordering corrections within a time limit, fines, and confiscation of illegal gains. A serious violation may lead to the cancelation of the bidding qualifications for participating in projects that must be tendered according to the law within one to two years and make a public announcement, until the revocation of the business license by the industrial and commercial administration authority. If a crime is constituted, it shall be investigated for criminal liabilities in accordance with the law. If such acts cause any losses to others, it shall also be liable for compensation in accordance with the law.

Regulations Related to Value-added Telecommunication Services

The Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the "**Telecommunications Regulations**") promulgated by the State Council on September 25, 2000 and last amended on February 6, 2016, provide a regulatory framework for telecommunications services providers in the PRC. The Telecommunications Regulations require telecommunications services providers to obtain an operating license prior to the commencement of their operations. The Telecommunications Regulations categorize telecommunications services into basic telecommunications services and the value-added telecommunications services (the "**VATS**"). According to the Catalog of Telecommunications Business (《電信業務分類目錄》) attached to the Telecommunications Regulations, which was promulgated by the Ministry of Information Industry of the PRC (the "**MII**", which is the predecessor of the Ministry of Industry and Information Technology) and last amended by the Ministry of Industry and Information Technology (the "**MIIT**") on June 6, 2019, Internet information services fall within the VATS.

Foreign direct investment in telecommunications companies in the PRC is regulated by the Regulations for Administration of Foreign-invested Telecommunications Enterprises (《外商投資電信企業管理規定》) (the "**FITE Regulations**"), which was latest amended on March 29, 2022. The FITE Regulations require foreign-invested telecommunications enterprises in the PRC, to be established in the form of foreign-invested enterprises in accordance with applicable laws, and foreign investors shall not acquire more than 50% of the equity interest of such an enterprise unless it is otherwise provided for by the State.

Pursuant to the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**"), promulgated by the National Development and Reform Commission (the "**NDRC**") and the Ministry of Commerce of the PRC (the "**MOFCOM**") jointly on September 6, 2024 which became effective on November 1, 2024, foreign investors shall not invest in any of the prohibited fields specified in the Negative List, and they must obtain permit for investment in other fields set forth in the Negative List that are not prohibited.

According to the Negative List, the foreign share ratio for value-add telecommunications services (except for e-commerce, domestic multi-party communications, storage-forwarding and call centers) shall not exceed 50%. Moreover, foreign direct investment in telecommunications companies in China is governed by the FITE Regulations. The regulations require foreign invested value-added telecommunications enterprises in China to be established in the form of foreign-invested enterprises, which the foreign investors are prohibited from holding more than 50% of the equity interests of such enterprise, unless it is otherwise provided for by PRC. The qualification requirements for the main foreign investor of a foreign-funded telecommunications enterprise are removed by the FITE Regulations.

The Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) (the "**Internet Measures**"), which was promulgated by the State Council on September 25, 2000 and mostly recently amended on December 6, 2024, set forth guidelines on the provision of internet information services. The Internet Measures classified Internet information services into commercial Internet information services and non-commercial Internet information services and a commercial operator of internet content provision services must obtain a VATS License for the provision of internet information services from the appropriate telecommunications authorities.

Regulations Related to Online Trading

On August 31, 2018, the SCNPC promulgated the Electronic Commerce Law (《電子商務法》), which became effective on January 1, 2019. The Electronic Commerce Law aims to regulate the e-commerce activities conducted within the territory of the PRC. Pursuant to the Electronic Commerce Law, an e-commerce platform operator shall (i) continuously publicize the business license information and administrative license information related to its business operations at a prominent position on its homepage; (ii) clearly specify the methods and procedures for users to inquire, correct, delete their information and cancel their accounts, and shall not impose unreasonable conditions on users' inquiries, corrections, deletions of personal information or account cancelation; (iii) adopt technical and other necessary measures to ensure the secure and stable operation of its network, prevent online illegal and criminal activities, effectively respond to cyber security incidents, and safeguard the security of electronic commerce transactions; (iv) record and retain the information of the products and services and the transaction information for no less than 3 years; (v) display the platform service agreement and the transaction rules or links to such information on the homepage of the platform; (vi) display the noticeable labels regarding the products or services provided by the platform operator itself on its platform, and take liabilities for such products and services; (vii) establish a credit evaluation system, display the credit evaluation rules, provide consumers with accesses to make comments on the products and services provided on its platform, and restrain from deleting such comments; and (viii) establish intellectual property protection rules, and take necessary measures when any intellectual property holder notify the platform operator that his intellectual property rights have been infringed.

On March 15, 2021, the State Administration for Market Regulation (the "**SAMR**") promulgated the Measures for the Supervision and Administration of Online Trading (《網絡交易監督管理辦法》)(the "Online Trading Measures"), which became effective on May 1, 2021, and was latest amended on March 18, 2025. The Online Trading Measures stipulates the obligations of online products operators and services providers and certain special requirements applicable to third-party platform operators. The Online Trading Measures further regulates and refines the e-commerce supervision system, including, but not limited to (i) clarifying the characteristics and responsibilities of e-commerce operators; (ii) refining the requirements of the collection and use of personal information, expressly stating that consumers cannot be forced directly or in any disguised manner to consent to the collection or use of personal information that is not directly related to the business activities by means of a general authorization, default authorization, bundling with other authorization, and discontinuing installation, etc.

Regulations Related to Road Transportation

Pursuant to the Regulations on Road Transportation of PRC (《中華人民共和國道路運輸條例》), which was promulgated by the State Council on April 30, 2004 and last amended on January 30, 2026 and became effective on March 20, 2026, and the Provisions on Administration of Road Freight Transportation and Stations (Sites) (《道路貨物運輸及站場管理規定》), which was promulgated by the Ministry of Transport on June 16, 2005 and last amended on February 6, 2026 and became effective on March 20, 2026 (the "**Road Freight Provisions**"), the business operations of road freight transportation refer to commercial road freight transportation activities that provide public services. The road freight transportation includes general road freight transportation, special road freight transportation, road transportation of large articles, and road transportation of hazardous cargos. Special road freight transportation refers to freight transportation using special vehicles with containers, refrigeration equipment, or tank containers, etc. The Road Freight Provisions set forth detailed requirements with respect to vehicles and drivers, pursuant to which, anyone engaging in the business of operating road freight transportation must obtain a Road Transportation Operation Permit from the local county-level road transportation administrative bureau. Pursuant to the Notice on the Cancelation of the Road Transportation Certificate and the Driver Qualification Certificate for Ordinary Freight Vehicles with a Total Mass of 4.5 Tons or Less (《交通運輸部辦公廳關於取消總質量4.5噸及以下普通貨運車輛道路運輸證和駕駛員從業資格證的通知》), which was promulgated by the Ministry of Transport on December 24, 2018 and became effective on January 1, 2019, local transportation management departments will no longer issue road transportation certificate for ordinary freight vehicles with a total mass of 4.5 tons or less.

Regulations Related to Medical Devices Operation

According to the Regulations on Supervision and Administration of Medical Devices (《醫療器械監督管理條例》), which was promulgated by the State Council on January 4, 2000 and last amended on December 6, 2024 and became effective on January 20, 2025, and the Measures for the Supervision and Administration of Medical Devices Operation (《醫療器械經營監督管理辦法》), which was promulgated by the former National Food and Drug Administration on July 30, 2014 and last amended on March 10, 2022 by the SAMR, and became effective on May 1, 2022, in the PRC, medical devices are classified into three different categories, Class I, Class II and Class III, based on the degrees of risks associated with each medical device. To engage in the operation of Class II medical devices, an operating enterprise shall make a record-filing with the municipal level drug supervision and administration department, while to engage in the operation of Class III medical devices, an operating enterprise shall apply for the Medical Devices Operation License to the municipal level drug supervision and administration department. Medical device registrants and filers may sell their registered or filed medical devices at their registered address or production site without obtaining a medical device business license or filing, provided they meet the prescribed business conditions.

Regulations Related to Corporation and Foreign Investment

The establishment, operation and management of corporate entities in the PRC is governed by the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the SCNPC on December 29, 1993 and became effective on July 1, 1994, and was last amended on December 29, 2023 and became effective on July 1, 2024. The Company Law of the PRC generally governs two types of companies, namely limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of shareholders of a limited liability company or a joint stock limited company is limited to the amount of registered share capital they have contributed or the shares they have subscribed for. The Company Law of the PRC shall also apply to foreign invested companies in form of limited liability company or joint stock limited company. Where laws on foreign investment have other stipulations, such stipulations shall apply.

On January 1, 2020, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**") which was promulgated by the National People's Congress of the PRC and the Regulations on the Implementation of the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》), which was promulgated by the State Council became effective. The FIL sets forth the definition of foreign investment and the framework for promotion, protection and administration of foreign investment activities. On December 30, 2019, the MOFCOM and the SAMR jointly promulgated the Measures for Reporting of Information on Foreign Investment (《外商投資信息報告辦法》), which became effective on January 1, 2020 and pursuant to which, the establishment of the foreign invested enterprises by foreign investors and establishment through purchasing the equities of a non-foreign invested enterprise and its subsequent changes are required to submit an initial or change report through the Enterprise Registration System.

Pursuant to the FIL, China has adopted a system of national treatment which includes a negative list with respect to foreign investment administration. The negative list will be promulgated by, amended or released upon approval by the State Council, from time to time. The negative list will set forth industries in which foreign investments are prohibited and industries in which foreign investments are restricted. Foreign investment in prohibited industries is not allowed, while foreign investment in restricted industries must satisfy certain conditions stipulated in the negative list. Foreign investments and domestic investments in industries outside the scope of the prohibited industries and restricted industries stipulated in the negative list will be treated equally. The Negative List and Catalogue of Encouraged Industries for Foreign Investment (2025 Edition) (《鼓勵外商投資產業目錄(2025年版)》), which was promulgated by the NDRC and the MOFCOM on December 15, 2025 and became effective on February 1, 2026, listed the categories of encouraged, restricted, and prohibited industries. Any industry not included in the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment.

Regulations Related to Information Security, and Data Privacy

According to the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**"), which was last amended on October 28, 2025 by the SCNPC and became effective on January 1, 2026. According to the Cybersecurity Law, network operators shall, in accordance with the requirements of the cyber security classified protection system, perform their security protection obligations, ensure that networks are free from interference, disruption or unauthorized access, and prevent network data from being disclosed, stolen or tampered. Besides, network operators shall abide by the principles of legality, legitimacy and necessity when collecting and using personal information. Network operators shall disclose the rules for collection and use, specify the purpose, methods and scope of collection and use of information, and obtain consent from the persons whose personal information is collected, when collecting and using personal information. Network operators shall not collect the personal information irrelevant to the services they provide, nor disclose, tamper with or damage the personal information they collect, and shall not provide relevant personal information to others without the prior consent of the persons whose personal information is collected, except for the personal information that cannot be identified and restored after processing.

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**"), which became effective from September 1, 2021. According to the Data Security Law, a data classification protection system shall be established to protect data by classification. Entities engaged in data processing activities shall, in accordance with the laws and regulations, establish a sound whole-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security.

In accordance with 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**"), promulgated by the SCNPC on August 20, 2021 and effective on November 1, 2021, the basic principles for processing personal information are clearly defined, including: (i) the processing of personal information shall adhere to the principles of legality, legitimacy, necessity, and good faith, and shall not process through misleading, fraudulent, or coercive means; (ii) the processing of personal information shall have a clear and reasonable purpose, be directly related to such purpose, and adopt methods that minimize the impact on individual rights. The collection of personal information shall be limited to the minimum scope necessary to achieve the processing purpose, and excessive collection is prohibited; (iii) the processing of personal information shall follow the principles of openness and transparency, with publicly disclosed processing rules that clearly state the purpose, method, and scope of processing. The Personal Information Protection Law also stipulates rules for processing personal information and sensitive personal information, regulations on cross-border transfers of personal information, the rights of individuals in personal information processing activities, and the obligations of personal information handlers. If a personal information handler violates the provisions of the Personal Information Protection Law or fails to fulfill its legal obligations, it may face penalties such as rectification orders, warnings, confiscation of illegal gains, fines, suspension of related operations, business shutdowns, revocation of relevant licenses, or business revocation. In severe cases, the legal liability of the personal information handler may be significantly increased.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**"), the NDRC, the MIIT, the Ministry of Public Security, the Ministry of State Security, the Ministry of Finance (the "**MOF**"), the MOFCOM, the People' s Bank of China, the SAMR, the National Radio and Television Administration, the China Securities Regulatory Commission (the"**CSRC**"), the National Administration for the Protection of State Secrets, the State Cryptography Administration promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》), which came into effect on February 15, 2022. Pursuant to the Measures for Cybersecurity Review, online platform operators holding personal information of more than one million users are required to apply for cybersecurity review prior to seeking listing in foreign countries, thereby enhancing regulatory oversight over overseas listings from a cybersecurity perspective. In addition, procurement of network products and services by critical information infrastructure operators, as well as data processing activities conducted by online platform operators that may affect or may raise national security concerns, are subject to review by the Cybersecurity Review Office established under the CAC, which may also initiate cybersecurity review procedures where it deems necessary. Any violation of the Measures for Cybersecurity Review may result in penalties in accordance with the PRC Cybersecurity Law and the PRC Data Security Law, including, among others, regulatory investigations, fines, suspension of non-compliant operations and other administrative sanctions.

On September 24, 2024, the State Council promulgated the Cyber Data Security Administration Regulations (《網絡數據安全管理條例》) (the "**Cyber Data Regulations**"), which came into effect on January 1, 2025. Pursuant to the Cyber Data Regulations, internet data processors engaging in data processing activities that affect or may affect national security are required to undergo national security review in accordance with applicable regulations. The Cyber Data Regulations also set forth comprehensive requirements for data processing activities, covering, among others, personal information protection, important data security, cross-border data management and obligations of network platform service providers. In particular, internet data processors are required to identify and declare important data and fulfill data security protection obligations, while processors of important data shall designate responsible personnel, establish data security management institutions, and conduct periodic risk assessments and submit relevant reports to competent authorities. In addition, network platform service providers are required to clarify the data security obligations of third-party service providers through platform rules or agreements and strengthen oversight of such parties. Where automated decision-making is used to push information to individuals, such providers shall offer users accessible options to opt out of personalized recommendations and to manage or delete user profile tags.

Regulations Related to the Management of Lease Housing

Pursuant to (i) the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994, last amended on August 26, 2019 and became effective on January 1, 2020, and (ii) the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development (the "**MOHURD**") on December 1, 2010 and became effective on February 1, 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located. If the lessor and lessee fail to go through the registration and filing procedures, both lessor and lessee may be subject to fines. Pursuant to Article 706 of the Civil Code, failure to complete the formalities for the registration and filing of a lease contract in accordance with the provisions of laws and administrative regulations shall not affect the validity of the contract.

Regulations Related to Intellectual Property Rights

Trademark

The Trademark Law of the PRC (《中華人民共和國商標法》) was promulgated by the SCNPC on August 23, 1982, became effective on March 1, 1983, and was last amended on April 23, 2019, and became effective on November 1, 2019. The Regulations for the Implementation of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) were promulgated by the State Council on August 3, 2002, became effective on September 15, 2002, and were last amended on April 29, 2014, and became effective on May 1, 2014. According to these laws and regulations, the validity period of a registered trademark is 10 years from the date of approval. To continue using a trademark upon the expiry of its validity, renewal procedures must be completed in accordance with the provisions within the 12 months preceding expiration. If renewal procedures are not completed within this period, a six-month extension is allowed. Each renewal extends the validity period for 10 years, starting from the day following the expiration of the last validity period. Trademark registrants may authorize others to use their registered trademarks by signing trademark licensing agreements.

Patent

The Patent Law of the PRC (《中華人民共和國專利法》) was promulgated by the SCNPC on March 12, 1984, and was last amended on October 17, 2020, and became effective on June 1, 2021. The Detailed Rules for the Implementation of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) were promulgated by the State Council on June 15, 2001, became effective on July 1, 2001, and were last amended on December 11, 2023, and became effective on January 20, 2024. According to these laws, regulations and detailed rules, patents in China are categorized into three types: invention patents, utility model patents and design patents. The term of an invention patent right is 20 years, the term of a utility model patent is 10 years, and the term of a design patent is 15 years, all of which are calculated from the filing date. Any entity or individual that exploits another's patent must conclude a licensing agreement with the patent holder and pay royalties. Exploiting a patent without the permission of the patent holder constitutes an infringement of their patent rights.

Domain Name

The Internet Domain Name Management Measures (《互聯網域名管理辦法》) were promulgated by the MIIT on August 24, 2017, and became effective on November 1, 2017. According to these management measures, the MIIT is the primary regulatory authority for the management of Internet domain names in China. Domain name registration is processed through domain name root servers and their operating institutions, domain name registration management institutions and domain name registration service institutions established in accordance with the relevant regulations.

Computers Software Copyright

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), which was promulgated by the National Copyright Administration on February 20, 2002, and became effective on the same date, regulates the registration of software copyright, the exclusive licensing contract and assignment contracts of software copyright. The National Copyright Administration is mainly responsible for the registration and management of national software copyright and designates the China Copyright Protection Center as the agency for software registration. The China Copyright Protection Center will grant certificates of registration to computer software copyright applicants.

Regulations Related to Employment and Social Welfare

Employment

The major PRC laws and regulations that govern employment relationship are the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) and its implementation, which impose stringent requirements on the employers in relation to entering into fixed-term employment contracts and dismissal of employees.

The Labor Law of the PRC (《中華人民共和國勞動法》) was promulgated by the SCNPC on July 5, 1994, and became effective on January 1, 1995, and was last amended on December 29, 2018 and became effective on the same date. The Labor Law of the PRC stipulates matters related to promoting employment, labor contracts, working hours, rest and leave, wages, labor safety and hygiene, special protection for female and minor workers, vocational training, social insurance and welfare, labor disputes, supervision and inspection, as well as legal liabilities.

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) was promulgated by the SCNPC on June 29, 2007, and became effective on January 1, 2008, and was last amended on December 28, 2012, and became effective on July 1, 2013. The Implementation Regulation of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) was promulgated by the State Council on September 18, 2008, and became effective on the same date. According to the aforementioned law and regulation, a written labor contract shall be established when forming a labor relationship. Employers shall not force employees to work overtime and must pay overtime wages according to national regulations if overtime is arranged. Wages must not be lower than the local minimum wage standard and must be paid to employees promptly.

Social Insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the "**Social Insurance Law**"), which was last amended by the SCNPC on December 29, 2018, and became effective on the same date, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999, and was last amended on March 24, 2019 and became effective on the same date, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

Housing Provident Fund

Pursuant to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》), which was promulgated by the State Council on April 3, 1999, and was last amended on March 24, 2019, and became effective on the same date, employers in Chinese mainland shall provide their employees with housing provident fund. Employers who fail to contribute to the above housing provident funds may be ordered to make full payment within a prescribed time period by the housing provident fund management center. If an employing entity fails to make the payment towards the housing provident funds within a prescribed time limit, an application may be made to a people's court for enforcement.

Regulations Related to Foreign Exchange

According to the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Overseas Listing (《關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE on December 26, 2014, and became effective on the same date, a domestic company shall, within 15 working days after the completion of its overseas listing, go through the registration of overseas listing with the foreign exchange bureau at its place of registration. A domestic issuer may transfer the capital raised through overseas listing to its local bank account or deposit at its overseas account. The **[REDACTED]** shall be consistent with the purposes disclosed in this Document or other public documents.

On December 24, 2025, the People's Bank of China and the SAFE jointly issued the Notice on Issues Concerning the Fund Management for Overseas Listings of Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》), which became effective on April 1, 2026, to further facilitate domestic enterprises in efficiently raising funds in overseas financial markets. The main contents of the aforementioned Notice include: (i) clarifying that proceeds from overseas listings, such as funds raised and income from share reductions or transfers, in principle, shall be promptly remitted into the PRC. Listing entities participating in the Full Circulation of H Shares shall distribute dividends to domestic shareholders domestically in RMB; (ii) specifying that funds raised from overseas listings and repatriated in foreign currency may be independently converted and used; (iii) supporting the primary role of banks in directly handling the registration for overseas listings by domestic enterprises and appropriately relaxing the deadline requirements for registrations related to issuance, listing, additional offerings, and share reductions; (iv) Where any funds remitted overseas by domestic shareholders for share purchase purposes remain unused or the relevant transaction fails to be completed, such funds shall be promptly repatriated. Enterprises meeting certain conditions are permitted to retain and use raised funds overseas. As of the effective date of this Notice, the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Overseas Listing will be repealed.

Regulations Related to Taxation

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**") which was promulgated by the NPC on March 16, 2007 and last amended by the SCNPC on December 29, 2018, and became effective on the same date, a unified income tax rate of 25% will be applied towards foreign investment and foreign enterprises which have set up institutions or facilities in the PRC as well as PRC enterprises. Under the EIT Law, enterprises established outside of China whose "de facto management bodies" are located in China are considered "resident enterprises"and will generally be subject to the unified 25% enterprise income tax rate as to their global income.

Enterprises that are recognized as high and new technology enterprises in accordance with the Administrative Measures for the Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》) promulgated by the Ministry of Science and Technology, the MOF and the State Administration of Taxation (the "**SAT**") and became effective on January 1, 2016, are entitled to enjoy a preferential enterprise income tax rate of 15%, under which the validity period of the high and new technology enterprise qualification shall be three years from the date of issuance of the certificate. An enterprise can re-apply for such recognition as a high and new technology enterprise before or after the previous certificate expires.

Value-Added Tax

Pursuant to the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法》), as latest amended by the SCNPC on December 25, 2024 which became effective on January 1, 2026, and the Regulations for the Implementation of the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法實施條例》), issued by the State Council on December 25, 2025 which became effective on January 1, 2026, all entities engaged in the sale of goods, services, intangible assets or immovable property, or in the importation of goods within the PRC are required to pay value-added tax. Unless otherwise provided in the foregoing regulations, the general value-added tax rate applicable to the sale or importation of goods is 13%, 9% and 6%.

Tax related to Dividends

For Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) (the "**Individual Income Tax Law**"), which was last amended by the SCNPC on August 31, 2018 and became effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》) (the "**Implementation Rules of the Individual Income Tax Law**"), which was last amended by the State Council on December 18, 2018 and became effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) promulgated by the MOF, the SAT and the CSRC on September 7, 2015 and became effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), became effective on December 8, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷稅漏稅的安排》第五議定書) (the "**Fifth Protocol**"), promulgated by the SAT and became effective on December 6, 2019, provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

For Enterprise Investors

Pursuant to the EIT Law and the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》), which was last amended by the State Council on December 6, 2024, and became effective on January 20, 2025, a non-resident enterprise is subject to a reduced rate of 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders which are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) promulgated by the SAT on November 6, 2008, and became effective on the same date, a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares which are derived out of profit generated since 2008.

According to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including Hong Kong Securities Clearing Company Nominees Limited). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' verification.

Tax related to equity transfer income

For Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. The newly revised Individual Income Tax Law and Implementation Rules of the Individual Income Tax Law do not specify whether to exempt individuals from personal income tax on the income from the transfer of shares in listed company. As of the Latest Practicable Date, in practice, the PRC tax authorities have not collected income tax from non-PRC resident individuals on gains from the sale of shares of the PRC resident enterprises listed on overseas stock exchanges.

For Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in the PRC or has an establishment or premises in the PRC but the PRC-sourced income is not actually connected with such establishment or premises in the PRC. The aforementioned income tax payable by non-PRC resident enterprises is subject to source withholding, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under applicable tax treaties or arrangements.

Regulations Related to Overseas Listing

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of the 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》) (the "**Overseas Listing Trial Measures**") and relevant five guidelines, which became effective March 31, 2023. According to the Overseas Listing Trial Measures, PRC domestic enterprises that seek to offer and list securities in overseas markets, either in direct or indirect means (the "**Overseas Offering and Listing**"), are required to fulfill the filing procedure with the CSRC and submit filing reports, legal opinions, and other relevant documents. Subject to specific circumstances, the Overseas Listing Trial Measures require that, among other things, (i) initial public offerings or listings on overseas markets shall be filed with the CSRC within three working days after the relevant application is submitted overseas, (ii) subsequent securities offerings of an issuer on the same overseas market where it has previously offered and listed securities shall be filed with the CSRC within three working days after the offering is completed, and (iii) subsequent securities offerings or listings of an issuer on other overseas markets other than where it has offered and listed securities shall be filed with the CSRC within three working days after the relevant application is submitted overseas. If a PRC company fails to complete the filing procedure or the filing documents submitted by a PRC company contain misrepresentation, misleading statement or material omission, such PRC company may be subject to order to rectify, warnings and fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly responsible persons may also be subject to fines.

In addition, the Overseas Listing Trial Measures also provides the circumstances where the Overseas Offering and Listing is explicitly prohibited, including: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the Overseas Offering and Listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the PRC domestic enterprise, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the PRC domestic enterprise is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller.

H Share Full Circulation

"Full circulation" refers to the listing and circulation of the domestic unlisted shares of an H-share listed company on the Stock Exchange of Hong Kong Limited, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. On November 14, 2019, the CSRC issued the Guidelines on the Application of "Full Circulation" of Domestic Unlisted Shares by H-share Companies (Announcement of the CSRC [2019] No. 22) (《H股公司境內未上市股份申請「全流通」業務指引》) (the "**Guidelines on 'Full Circulation'**") and last amended on August 10, 2023 and became effective on the same day. According to the Guidelines on "Full Circulation," provided that the requirements set forth in the relevant laws and regulations and in the policies for state-owned assets management, foreign investments and industry regulation are satisfied, the shareholders of domestic unlisted shares may decide at their own discretion through negotiation the amount and proportion of shares applying for circulation, and entrust the H-share Listed Company to submit the application for "full circulation." The H-share Listed Company shall apply to the CSRC for "full circulation" in accordance with the administrative licensing procedures required for the "examination and approval of overseas public offering and listing of shares (including additional issuance) by joint stock companies." Upon approval of the application for "full circulation" by the CSRC, the H-share Listed Company shall submit a report to the CSRC within 15 days after completion of the registration of shares involved in the application with the China Securities Depository and Clearing Co., Ltd. (the "**CSDC**"). Pursuant to the Overseas Listing Trial Measures, for a domestic company seeking direct overseas listing, the shareholders holding the domestic unlisted shares of such domestic company who apply for the conversion of the domestic unlisted shares into overseas listed shares shall comply with the relevant provisions of the CSRC and entrust such domestic company to file with the CSRC.

On December 31, 2019, the CSDC and Shenzhen Stock Exchange jointly issued the Implementation Measures for H-share "Full Circulation" Business (《H股「全流通」業務實施細則》), which applied to the cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominee holders and other businesses in relation to share "full circulation" business.

In order to fully promote the reform of H-share "full circulation" and specify the business arrangements and procedures for registration, custody, settlement and delivery of relevant shares, the CSDC Shenzhen Branch last amended the Circular on Issuing the Guidance for H-share "Full Circulation" (《中國證券登記結算有限責任公司深圳分公司H股「全流通」業務指南》) on June 27, 2025, and became effective on June 30, 2025, which specified the business preparation, account arrangements, cross-border share transfer registration and overseas centralized custody, etc.