
REGULATORY OVERVIEW

LAWS AND REGULATIONS RELATING TO THE AQUACULTURE INDUSTRY

Pursuant to the Law of the PRC on Agriculture (《中華人民共和國農業法》), promulgated by the Standing Committee of the National People’s Congress (the “NPCSC”) on July 2, 1993, latest amended on December 28, 2012, and implemented on January 1, 2013, the State shall also support the development of agricultural product processing and food industries to increase the added value of agricultural products.

Aquatic Wildlife Breeding Permit/Domestication and Breeding Permit

The Wildlife Protection Law of the PRC (《中華人民共和國野生動物保護法》) (the “**Wildlife Protection Law**”) was promulgated by the NPCSC on November 8, 1988, and latest amended on December 30, 2022 and implemented on May 1, 2023. According to the Wildlife Protection Law, the artificial breeding of wildlife is subject to classified and hierarchical management. The artificial breeding of wildlife under special state protection is subject to approval by the competent wildlife protection department of the people’s governments at the provincial, autonomous regional, or municipal level, and a Wildlife Breeding Permit must be obtained, with the exception that the State Council stipulates otherwise for the approval departments. An entity or individual that breeds wildlife under special state protection without a Wildlife Breeding Permit will be subject to confiscation of the wild animals and their products by the competent wildlife protection department of the people’s government concerned at or above the county level and will be fined not less than one time but not more than ten times the value of the wildlife and their products.

Pursuant to the Regulations for the Implementation of the Protection of Aquatic Wild Animals of the PRC (2013 Revision) (《中華人民共和國水生野生動物保護實施條例(2013修訂)》), promulgated and implemented by the State Council on December 7, 2013, for domestication and breeding of aquatic wild animals under national Class I protection, a Domestication and Breeding Permit issued by the fisheries administrative department under the State Council shall be held; for domestication and breeding of aquatic wild animals under national Class II protection, a Domestication and Breeding Permit issued by the fisheries administrative department of the people’s government of the province, autonomous region, or municipality directly under the Central Government shall be held. Where wild animals, aquatic wild animals under national key protection are domesticated and bred without obtaining a Domestication and Breeding Permit or beyond the scope specified in the Domestication and Breeding Permit, the fisheries administrative department shall confiscate the illegal gains and impose a fine of up to RMB 3,000, and may concurrently confiscate the aquatic wild animals and revoke the Domestication and Breeding Permit.

Aquatic Wild Animals Operation and Utilization License and Special Identifier

Pursuant to the Administrative Measures of the PRC on the Licensing for the Utilization of Aquatic Wildlife (《中華人民共和國水生野生動物利用特許辦法》), promulgated by the Ministry of Agriculture and Rural Affairs (the “**MARA**”) of the PRC on June 24, 1999, latest amended and implemented on April 25, 2019, the State Council stipulates that for the sale, purchase or utilization of aquatic wildlife under national key protection or their products, which are subject to be approved by the former Ministry of Agriculture (now reorganized as the MARA of the PRC), an entity or individual shall apply to the fishery administrative department of the people’s government at the provincial level for an Aquatic Wild Animals Operation and Utilization License. An entity or individual that obtained a permit for the sale, purchase, or utilization of aquatic wildlife or their products shall, holding the Aquatic Wild Animals Operation and Utilization License, complete filing with the fishery administrative competent department of the people’s government at or above the county level at the place of sale or purchase before conducting such sale, purchase, or utilization activities.

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Pursuant to the Wildlife Protection Law, for the wildlife and their products included in the catalog of artificially bred wildlife under national key protection, an entity or individual holding an artificial breeding permit or filing may, based on the annual production quantity verified by the competent wildlife protection department of the people’s government at the provincial, autonomous regional or municipal level, or by its authorized department, directly obtain special identifier and sell or utilize such wildlife and their products with the corresponding marks, to ensure traceability. Any entity or individual that, without approval, without obtaining or using the special identifier as required, or without holding or attaching a copy of the artificial breeding permit, approval document or the special identifier, sells, purchases, utilizes, transports, carries or posts wildlife under national key protection or their products, will be subject to confiscation of the wildlife, their products and illegal gains by the competent wildlife protection department and the market regulation department of the people’s government at or above the county level, which shall order the closure of the illegal operation site and impose a fine not less than two times but not more than twenty times the value of the wildlife and their products. Where the circumstances are serious, the artificial breeding permit will be revoked, the approval document canceled, and the special identifier withdrawn; where a crime is constituted, criminal liability will be pursued in accordance with the law.

On November 28, 2018, the MARA of the PRC promulgated and implemented the notice on Standardizing the Approval and Management of Aquatic Animal Species in the Appendices of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (《關於規範瀕危野生動植物種國際貿易公約附錄水生動物物種審批管理工作的通知》) (the “**Notice on Standardizing the Approval and Management of Aquatic Animal Species in CITES Appendices**”). According to the Notice on Standardizing the Approval and Management of Aquatic Animal Species in CITES Appendices, for aquatic animal species listed in the International Trade in Endangered Species of Wild Fauna and Flora (the “**CITES**”) appendices but have not yet been included in the list of nationally protected wildlife and have only been approved as nationally protected wildlife in their wild populations, their wild populations will be managed domestically according to their corresponding protection levels, and artificially bred populations will no longer be considered as nationally protected wildlife. Those applying for artificial breeding, sale, purchase and utilization of the above-mentioned species, whether involving wild populations or artificial breeding populations, shall apply for an artificial breeding license or business utilization approval in accordance with the law.

Aquatic Fry and Fingerlings Production Permit

Pursuant to the Fisheries Law of the PRC (《中華人民共和國漁業法》) (the “**Fisheries Law**”), promulgated by the NPCSC on January 20, 1986, latest revised on December 27, 2025 and implemented on May 1, 2026 and the Administrative Measures on Aquatic Seed Production (《水產苗種管理辦法》), promulgated by the former Ministry of Agriculture of the PRC on June 9, 1992, latest amended on January 5, 2005 and implemented on April 1, 2005, an entity or individual engaging in the aquatic fry or fingerlings production shall obtain an Aquatic Fry and Fingerlings Production Permit from the competent fishery administrative department of the people’s government at or above the county level, except for fishery producers that breed and use the aquatic fry or fingerlings for their own use. New aquatic species must be reviewed and approved by the National Committee for the Appraisal of Aquatic Original and Fine Breeds and be promoted only after being announced by the administrative department for fisheries under the State Council.

Pursuant to the Fisheries Law, where any entity engages in the production of aquatic seeds without lawfully obtaining an Aquatic Seed Production License, or produces or trades seeds of new aquatic varieties that have not been approved, it shall be ordered to cease such illegal activities; the aquatic seeds and unlawful proceeds shall be confiscated, and a fine ranging from one to ten times the value of the aquatic seeds shall be imposed.

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LAWS AND REGULATIONS RELATING TO THE FOOD INDUSTRY

Food Safety

On February 28, 2009, the NPCSC promulgated the Food Safety Law of the PRC (《中華人民共和國食品安全法》) (the “**Food Safety Law**”). On September 12, 2025, the NPCSC further passed a revised version of the Food Safety Law, and it was implemented on December 1, 2025. The Implementing Regulations of the Food Safety Law of the PRC(《中華人民共和國食品安全法實施條例》) (the “**Implementing Regulations of the Food Safety Law**”) was promulgated by the State Council on July 20, 2009, latest amended on October 11, 2019 and implemented on December 1, 2019. According to the Food Safety Law and the Implementing Regulations of the Food Safety Law, any entity engaging in food manufacturing, food sales, or catering services shall obtain the relevant permits. However, the sale of edible agricultural products and the sale of pre-packaged food are not subject to a permit; food manufacturing and food business operations shall comply with food safety standards and other applicable requirements.

Food Production and Operation Permit or Registration

On January 2, 2020, the State Administration for Market Regulation (the “**SAMR**”) promulgated the Administrative Measures of Food Production Licensing (《食品生產許可管理辦法》) (the “**Administrative Measures of Food Production Licensing**”), which came into effect on March 1, 2020. According to the provisions of the Administrative Measures of Food Production Licensing, the food production license is subject to the principle of one license for one entity, which means a food producer shall obtain a food production license to engage in food production activities. The market supervision authorities shall implement classified licensing for food production.

On June 15, 2023, the Administrative Measures for Food Operation Licensing and Registration (《食品經營許可和備案管理辦法》) was promulgated by the SAMR, which came into effect on December 1, 2023. According to the Administrative Measures for Food Operation Licensing and Registration, the State implements a licensing system for food production and operation. An entity or individual engaging in food production, food sales, or catering services shall obtain the relevant permits in accordance with the law. However, the sale of edible agricultural products and the sale of pre-packaged food are not subject to a permit. An entity or individual that only sells prepackaged food shall file a record with the food safety supervision and administration department of the local people’s government at or above the county level. Any entity or individual engaging in food production or operation without the required food production and operation permit will be subject to confiscation of illegal gains, illegally produced or operated food, and the tools, equipment, and ingredients used for such illegal production or operation. In addition, such entity or individual may be subject to fines, orders of suspension of production and/or operation, detention and even criminal penalties.

Food Recall System

On March 11, 2015, the China Food and Drug Administration (currently merged into the SAMR) promulgated the Administrative Measures for Food Recall (《食品召回管理辦法》) (the “**Administrative Measures for Recall**”) which became effective on September 1, 2015 and amended on October 23, 2020. According to the Administrative Measures for Recall, where food operators find that the food involved thereby is unsafe, they must immediately suspend the operations, inform relevant food producers and operators of the suspension of production and operation, recommend consumers stop eating, and take necessary measures to prevent and control food safety risks. Food producers knowing that any food produced and traded thereby is unsafe must voluntarily recall such food. Food producers

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and operators must faithfully record the name, trademark, specification, production date, batch number, quantity and other contents of unsafe food subject to the suspension of production and operation, recall and disposal. Records must be kept for at least two years.

Where food operators violate the Food Safety Law and the Administrative Measures for Food Recall and do not immediately suspend operation or voluntarily recall unsafe food, follow the prescribed time limit to activate recall procedures, recall unsafe food products in accordance with the recall plan or dispose of unsafe food products, the food and drug administrative authorities shall issue warnings to them and impose fines between RMB5,000 and RMB30,000 on them.

Administration of Food Labels

Pursuant to the Provisions on the Administration of Food Labels (《食品標識管理規定》), promulgated and implemented by the former General Administration of Quality Supervision, Inspection and Quarantine of the PRC on October 22, 2009, food labels shall state description, place of origin of the food, production date, shelf life, net weight, list of ingredients, name, address and contact information of the producer, and the safety standards applied by the producer. Where words such as “nutrition” or “fortified” are indicated in the name or description of the food, the nutrients and calories of the food must be indicated in accordance with relevant provisions of National standards and comply with the quantitative indication requirements prescribed by National standards. For foods that require a production permit, the label shall include the production permit number and the “QS” (Quality Safety) mark.

LAWS AND REGULATIONS RELATING TO ONLINE RETAIL

Pursuant to the E-Commerce Law of the PRC (《中華人民共和國電子商務法》), promulgated by the NPCSC on August 31, 2018 and implemented on January 1, 2019, e-commerce business operators refer to natural persons, legal persons and other non-legal-person organizations that engage in business activities of sale of goods or provision of services through Internet and other information network, including e-commerce platform operators, business operators using the platform, and e-commerce business operators engaging in sale of goods or provision of services through their self-built website or other network services. E-commerce business operators shall complete market entity registration formalities pursuant to the law, except for individuals selling self-produced agricultural products and home-made handicraft products, and individuals using their own skills to engage in convenient labor activities and sporadic small transactions for which licensing is not required by law, as well as e-commerce business operators who are not required to register pursuant to the laws and administrative regulations.

According to the Administrative Measures for Food Operation Licensing and Registration, food producers who obtained a food production permit and sell their self-produced prepackaged food at their production or processing places or via the Internet are not required to file for record separately. Consumers whose legitimate rights and interests are harmed when they purchase foodstuffs through a third-party platform for online transactions of foodstuffs may seek compensation from the participating food business operator or food manufacturer. After the third-party platform provider of online transactions of foodstuffs has made compensation, it has the right to seek recourse from the participating food business operator or food manufacturer. Where the third-party platform provider of online transactions of foodstuffs makes a commitment that is more beneficial to the consumers, it shall perform the commitment.

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LAWS AND REGULATIONS RELATING TO THE UTILIZATION OF NATURAL RESOURCES

Natural Water Taking Management

According to the Water Law of the PRC (《中華人民共和國水法》), promulgated by the NPCSC on January 21, 1988, amended and implemented on July 2, 2016, and the Regulations Governing the Licensing for Water Taking and the Levying of Water Resource Fees (《取水許可和水資源費徵收管理條例》), promulgated by the State Council on February 21, 2006, amended and implemented on March 1, 2017, and the Measures for the Administration of Water Abstraction Licensing (《取水許可管理辦法》), promulgated by the Ministry of Water Resources of the PRC on April 9, 2008, amended and implemented on December 22, 2017, except under specified circumstances, an entity or individual that draws or uses water resources shall apply for and obtain a water taking permit and pay water resource fees. Applicants shall not build water taking engineering structures or facilities without obtaining approval documents for the water taking permit application from the competent department.

An entity or individual that fails to comply with the foregoing provisions relating to the utilization of water resources may be subject to administrative penalties, including fines, orders for rectification, and revocation of the water taking permit.

LAWS AND REGULATIONS RELATING TO THE IMPORT AND EXPORT OF GOODS

Record-Filing of Aquatic Product Raw Material Breeding Farms for Export

Pursuant to the Administrative Measures of the PRC for the Safety of Food for Import or Export (《進出口食品安全管理辦法》), promulgated by the General Administration of Customs (the “GACC”) on April 12, 2021 and implemented on January 1, 2022 and Administrative Measures for the Record-Filing of Raw Material Aquaculture Farms for Export Aquatic Products (《出口水產品原料養殖場備案管理辦法》), promulgated by the General Administration of Customs (the “GACC”) on March 4, 2024 and implemented on April 15, 2024, aquatic product raw material breeding farms for export shall file for record with the local customs department. The record-filing shall remain valid for the duration of the validity period of the lawful aquaculture certification documents and is effective on a long-term basis within such period.

Record-Filing of Export Food Production Enterprises

Pursuant to the Administrative Measures of the PRC for the Safety of Food, export food production enterprises shall file for record with the customs department at their place of registration, where an enterprise exports food produced by an export food production enterprise without duly filing for record, shall be imposed penalties include confiscation of illegal gains and production or operation tools, imposition of fines, and, in serious cases, criminal liability.

Record-Filing of Consignors and Consignees of Imported and Exported Goods with the Customs Department

Pursuant to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) promulgated by the NPCSC on May 12, 1994, revised on December 27, 2025 and implemented on March 1, 2026 and the Customs Law of the PRC (《中華人民共和國海關法》), promulgated by the NPCSC on January 22, 1987, amended and implemented on April 29, 2021, since December 30, 2022, foreign trade operators engaging in the import or export of goods or in technology import and export are no longer required to complete record-filing or registration with the competent foreign trade department of the State Council

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or its authorized agencies, where a consignee or consignor of import or export goods or a Customs clearing enterprise goes through Customs declaration procedures, they shall file a record with the Customs in accordance with the law.

Import and Export Certificate for Wild Fauna and Flora

Pursuant to Measures for the Administration of Import and Export Certificates for Wild Fauna and Flora (《野生動植物進出口證書管理辦法》), promulgated by the former State Forestry Administration and the GACC on February 9, 2014, and implemented on May 1, 2014, the import and export of wild fauna and flora and their products conducted in accordance with the law are subject to an import and export certificate administration system. The import and export certificates for wild fauna and flora include the Permit for Import and Export and the Species Certificate. For the import and export of endangered wild fauna and flora and their products listed in the “Catalog of Commodities of Import and Export Wild Fauna and Flora Species” (《進出口野生動植物種商品目錄》) (the “**Commodity Catalog**”) restricted by the CITES, and for the export of wild fauna and flora and their products under national key protection listed in the Commodity Catalog, the administration of the Permit for Import and Export applies. For the import and export of other wild fauna and flora and their products listed in the preceding Commodity Catalog, the administration of the Species Certificate applies. The Commodity Catalog is jointly formulated, adjusted, and published by the Endangered Species Import and Export Management Office of the PRC and the GACC. The validity period of the Permit for Import and Export shall not exceed 180 days. Where the permit holder needs to extend the validity period of the Permit for Import and Export, a written application for extension must be submitted to the original issuing department fifteen days before the expiry of the validity period of the Permit for Import and Export.

Pursuant to the Regulations of the PRC on Administration of the Imports and Exports of Endangered Wildlife (《中華人民共和國瀕危野生動植物進出口管理條例》), promulgated and implemented by the State Council on March 2, 2019, the competent department of agriculture (fisheries) under the State Council, in accordance with the division of responsibilities, is responsible for the administration of the import and export of endangered wild animals and their products nationwide, and for coordinating matters related to the implementation of the CITES. The Office of Endangered Species Management, acting on behalf of the Chinese Government, performs the obligations under CITES and, in accordance with these Regulations, issue Permits for Import and Export for wild animals and their products under special state protection approved for export by the competent department of wild fauna and flora under the State Council, and endangered wild fauna and flora and their products whose import or export is restricted under CITES and approved by the same department for import or export. After obtaining the import or export approval document issued by the competent department of wild fauna and flora under the State Council, the applicant shall apply to the Office of Endangered Species Management for the issuance of a Permit for Import and Export within the validity period specified in the approval document.

Registration for Aquatic Animal Breeding Farm for Export

Pursuant to the Measures for the Inspection, Quarantine and Supervision of Aquatic Animals for Export (《出境水生動物檢驗檢疫監督管理辦法》), promulgated by the GACC on August 27, 2007, amended and implemented on November 23, 2018, an entity or individual engaging in the farming, capture, transshipment, packaging, transportation, or trade of aquatic animals for export shall comply with the relevant measures on the inspection and quarantine of aquatic animals for exportation. Where the importing country or region requires China to register the production, processing, and storage establishments exporting aquatic animals to it, the GACC implements a registration system for breeding farms and transshipment centers of aquatic animals for export. For applicants seeking registration, the directly subordinate customs shall make a decision on whether to grant registration within 20 days from

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the date of accepting the application. Where registration is granted, the Certificate of Inspection and Quarantine Registration for Aquatic Animal Breeding Farm/Transshipment Center for Export (the “**Registration Certificate**”) will be issued. The Registration Certificate is valid for five years from the date of issuance. Customs implements a system of routine supervision and annual review for registered breeding farms and transshipment centers of aquatic animals for export within their jurisdictions.

LAWS AND REGULATIONS RELATING TO PRODUCT QUALITY AND PRODUCT LIABILITY

General Provisions on Product Quality

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the “**Product Quality Law**”), promulgated by the NPCSC on February 22, 1993, amended and implemented on December 29, 2018, the Product Quality Law is the principal legislation governing the supervision and administration of product quality in China and applies to all product manufacturing and sales activities within the territory of the PRC.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》), promulgated by the National People’s Congress (the “NPC”) on May 28, 2020, and implemented on January 1, 2021, in the event of product defects that have caused damage to others, the manufacturer shall bear tortious liability. Where a product is found to be defective after it is put into circulation, the manufacturer and the seller shall promptly adopt remedial measures such as stopping sale, issuing a warning, and recalling the product etc.; where the damage is aggravated as a result of failure to adopt remedial measures promptly or ineffective remedial measures, the manufacturer and the seller shall also bear tortious liability for the aggravated damage.

Agriculture Product Quality Safety

The Law of the PRC on Agricultural Product Quality Safety (《中華人民共和國農產品質量安全法》) (the “**Agricultural Product Quality Safety Law**”), promulgated by the NPCSC on April 29, 2006, amended on September 2, 2022, and implemented on January 1, 2023, provides for regulatory oversight of agricultural products in the following aspects: (i) quality and safety standards of agricultural products; (ii) agricultural product origins; (iii) agricultural production; and (iv) agricultural product sales. According to the Agricultural Product Quality Safety Law, agricultural producers shall use pesticides, veterinary drugs, fertilizers, agricultural films, and other agricultural inputs scientifically and rationally, to avoid polluting the places of production of agricultural products. Anti-staling agents, preservatives, additives, and packaging materials, etc., used in the process of packaging, preservation, storage, and transport of agricultural products shall comply with the relevant mandatory standards and other provisions on agricultural product quality safety.

Quality and Safety of Aquaculture

Pursuant to the Provisions on the Administration of the Quality and Safety of Aquaculture (《水產養殖質量安全管理規定》), promulgated by the former Ministry of Agriculture of the PRC on July 24, 2003, and implemented on September 1, 2003, aquaculture production shall comply with relevant national operating requirements for aquaculture technical specifications. Seed and fry used in aquaculture shall comply with national or local quality standards. Professional technical personnel engaging in aquaculture shall take vocational skill training and obtain vocational qualification certificates before taking up their posts. Aquatic feed used by aquaculture enterprises shall comply with

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applicable standards. Aquaculture entities and individuals shall accept sampling inspection for drug residues in cultured aquatic products organized by the fishery administrative departments of the people’s governments at or above the county level.

Product Liability

Producers and sellers that manufacture or sell defective products in China may be held liable for any losses or damages caused by such defective products. Pursuant to the Law of the PRC on the Protection of Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) (the “**Consumer Rights Protection Law**”), promulgated by the NPCSC on October 31, 1993, amended on October 25, 2013, and implemented on March 15, 2014, consumers or other victims suffering losses or damages caused by product defects may claim compensation either from the seller or from the producer.

Pursuant to the foregoing laws and regulations, product manufacturers and sellers are required to ensure that their products comply with the standards safeguarding human health and the safety of persons and property. Failure to do so may result in a range of penalties, including orders to cease production and sales, confiscation of products and illegal gains, fines, revocation of business permits, and/or criminal liability. In addition, where a product causes personal injury or other forms of tortious damage, the manufacturer and seller may be subject to tort liability.

Protection of Rights and Interests of Consumers

Pursuant to the Consumer Protection Law, business operators must guarantee that the commodities they sell satisfy the requirements for personal or property safety, provide consumers with authentic information about the commodities, and guarantee the quality, function, usage, and term of validity of the commodities. Failure to comply with the Consumer Protection Law may subject business operators to civil liabilities such as refunding purchase prices, replacing or repairing the commodities, mitigating the damages, compensation, and restoring the reputation, and subject the business operators or the responsible individuals to criminal penalties if business operators commit crimes by infringing the legitimate rights and interests of customers.

LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION, PRODUCTION SAFETY AND FIRE PREVENTION

Environmental Impact Assessment

According to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) (the “**EIA**”), promulgated by the NPCSC on October 28, 2002, amended on December 29, 2018, the state implements classified management of environmental impact assessments based on the extent of a construction project’s impact on the environment. The construction unit shall organize the preparation of an Environmental Impact Report, Environmental Impact Statement, or Environmental Impact Registration Form in accordance with the Category-based Administration Directory for the Environmental Impact Assessment of Construction Projects (the “**Catalog for EIA Classified Management**”), promulgated by the Ministry of Ecology and Environment on September 2, 2008, amended on November 30, 2020, and implemented January 1, 2021.

According to the Catalog for EIA Classified Management, inland aquaculture projects involving cage culture, net-enclosure baited farming, or located in environmentally sensitive areas shall prepare an Environmental Impact Statement. Other inland aquaculture projects not falling into the categories shall submit an Environmental Impact Registration Form.

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According to the Interim Measures for the Acceptance Inspection for Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), promulgated and implemented by the former Ministry of Environmental Protection of the PRC on November 20, 2017, the construction unit is the responsible party for the environmental protection acceptance of a completed construction project. The construction unit shall organize the acceptance inspection of supporting environmental protection facilities, prepare an acceptance report, disclose relevant information, and accept public supervision.

Pollution Discharge Permit and Registration for Stationary Pollution Discharge

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) promulgated by NPCSC on September 13, 1979 and most recently amended on April 24, 2014, the Administrative Measures for Pollutant Discharge Permit (《排污許可管理辦法》) promulgated by the Ministry of Ecology and Environment on April 1, 2024 and implemented on July 1, 2024, and the Catalog of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) promulgated by the Ministry of Ecology and Environment on December 20, 2019, the State implements key management, simplified management and registration management of pollutant discharge permits based on factors such as the amount of pollutants generated and discharged, the degree of impact on the environment. The pollutant discharge entity that generates or discharges very small amount of pollutants and has small impact on the environment shall be implemented registration management, and is not required to apply for a pollutant discharge license, but shall fill in the pollutant discharge registration form on the national pollutant discharge license management information platform.

Work Safety

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》) (the “**Work Safety Law**”), promulgated by the NPCSC on June 29, 2002, amended on June 10, 2021, and implemented on September 1, 2021, production and business operators shall possess the safety conditions required by relevant laws, administrative regulations, national standards, or industry standards before engaging in production and business activities, violation of the Work Safety Law may result in fines, administrative penalties, suspension or cessation of operations, and in severe cases, criminal liability.

Fire Control

According to the Fire Control Law of the PRC (《中華人民共和國消防法》) (the “**Fire Control Law**”), promulgated by the NPCSC on April 29, 1998, amended and implemented on April 29, 2021, and Acceptance of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (the “**MOHURD**”) on April 1, 2020, amended on August 21, 2023, and implemented on October 30, 2023 (the “**Interim Fire Provisions**”), special construction projects specified under the Interim Fire Provisions must undergo fire protection design review before commencement and fire protection acceptance before being put into use. For construction projects other than special construction projects, a fire protection acceptance filing is required, and the competent administrative department responsible for fire control design review and acceptance shall conduct spot checks. If a construction project fails the on-site inspection, the project will be prohibited from use and must implement corrective measures before applying for re-inspection.

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LAWS AND REGULATIONS RELATING TO WATER AREAS, TIDAL FLATS AND LAND USE

Aquaculture Rights in Water Areas and Tidal Flats

Pursuant to the Fisheries Law and the Measures for the Issuance and Registration of the Aquaculture Certificates for Water and Tidal Flats (《水域灘塗養殖發證登記辦法》), promulgated by the former Ministry of Agriculture on May 24, 2010 and implemented on July 1, 2010, an entity or individual that uses state-owned water areas or tidal flats designated for aquaculture in national plans shall apply to the fishery administrative department of the local people’s government at or above the county level, and upon approval by the people’s government at the same level, an aquaculture permit must be issued, permitting such entity or individual to use the designated water areas or tidal flats for aquaculture production.

Pursuant to the Fisheries Law, an entity or individual who uses the waters or tidal flats for aquaculture owned by the whole people, lets the waters or tidal flats lie wasted for a year without justifiable reasons, will be ordered by the department that issues the aquaculture permit to develop and utilize the waters and tidal flats within a time limit. If he fails to do so at the expiration of the time limit, his aquaculture permit will be revoked, and he may also be fined not more than RMB 10,000. An entity or individual who has not obtained an aquaculture permit legally but engages in aquacultural production in the waters owned by the whole people will be ordered to stop doing so, apply for an aquaculture permit, or demolish the aquaculture facilities within a time limit. An entity or individual who has not obtained an aquaculture permit legally but engages in aquacultural production in the waters owned by the whole people beyond the scope specified in the permit, thus obstructing navigation or flood diversion, will be ordered to demolish the aquaculture facilities within a time limit and may also be fined not more than RMB10,000.

Utilization of State-Owned Land

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) (the “**Land Administration Law**”), promulgated by the NPCSC on June 25, 1986, amended on August 26, 2019, and implemented on January 1, 2020, the Implementing Regulation for the Land Administration Law of the PRC, amended by the State Council on July 2, 2021 and implemented on September 1, 2021, and the Provisional Regulations of the PRC for the Grant and Assignment of the Right to Use State Land in Urban Areas, promulgated by the State Council on May 19, 1990, amended and implemented on November 29, 2020, except for state-owned land use rights allocated by the state within the scope prescribed by law, the state implements a system of paid use of state-owned land. The main methods of paid use of state-owned land include: granting of state-owned land use rights, leasing of state-owned land, and contributing or investing using state-owned land use rights. The granting of land use rights may be conducted by agreement, bidding, or auction, and a land use rights grant contract must be signed and the land use rights transfer fee paid.

Contracting and Circulation of Collectively Owned Land

According to the Land Administration Law, assignment, leasing etc of collectively-operated development land stipulated in the preceding paragraph shall be subject to consent by more than two-thirds of the members of the rural collective economic organization or more than two-thirds of villager representatives.

According to the Law of the PRC on Land Contract in Rural Areas (《中華人民共和國農村土地承包法》) (the “**Rural Land Contracting Law**”), promulgated by the NPCSC on August 29, 2002, amended on December 29, 2018 and implemented on January 1, 2019, and the Organic Law of the

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Villagers Committees of the PRC, 《中華人民共和國村民委員會組織法》) promulgated by the NPCSC on November 4, 1998, most recently amended on October 28, 2025 and implemented on January 1, 2026, where the party giving out contracts gives out the contracts for rural land to units or individuals other than the ones of the collective economic organization concerned, the matter shall first subject to consent by not less than two-thirds of the members of the villagers assembly, or of the villagers’ representatives, of the collective economic organization concerned and it is submitted to the township (town) people’s government for approval.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark

Trademarks are protected under the Trademark Law of the PRC (《中華人民共和國商標法》), promulgated by the NPCSC on August 23, 1982, most recently amended on April 23, 2019, and implemented on November 1, 2019, and the Implementation Regulations for the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), promulgated by the State Council on August 3, 2002, amended on April 29, 2014, and implemented on May 1, 2014. The Trademark Office of the National Intellectual Property Administration is responsible for trademark registration and grants a validity period of ten years for registered trademarks. Upon application by the trademark owner, the registration may be renewed consecutively for ten-year periods.

Patent

Patents are protected under the Patent Law of the PRC (《中華人民共和國專利法》), promulgated by the NPCSC on March 12, 1984, most recently amended on October 17, 2020, and implemented on June 1, 2021, and the Implementing Rules for the Patent Law of the PRC (《中華人民共和國專利法實施細則》), promulgated by the State Council on June 15, 2001, amended on December 11, 2023, and implemented on January 20, 2024. Granted, invention and utility model patents must possess novelty, inventiveness, and practical applicability. Starting from their respective filing dates, the protection period for invention patents is 20 years, for utility model patents 10 years, and for design patents 15 years. Any entity or individual intending to exploit another’s patent must enter into a permit agreement with the patentee and pay patent royalties. Using a patent without the patentee’s permission constitutes patent infringement.

LAWS AND REGULATIONS RELATING TO LABOR PROTECTION AND SOCIAL INSURANCE

General Labor Contract Rules

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, and last amended on December 29, 2018, employers shall establish and improve their rules and systems to safeguard the rights and interests of employees.

Social Insurance and Housing Provident Fund

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the NPCSC on October 28, 2010, amended and implemented on December 29, 2018, an employer in the PRC shall complete social insurance registration with the local social insurance handling institution and make social insurance contributions on behalf of its employees. An employer who fails to pay social insurance contributions will be ordered to pay or supplement within a prescribed period, and an overdue

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payment fine at the rate of 5 per 10,000 will be levied from the due date of payment. When the payment is not made at the expiry of the prescribed period, a fine above the overdue amount but less than its triple will be imposed by the relevant administrative department.

Pursuant to the Administrative Regulations on the Housing Provident Fund (《住房公積金管理條例》), promulgated by the State Council on April 3, 1999, amended and implemented on March 24, 2019, an employer shall make registration of contributions to the housing provident fund with the housing provident fund management center, and go through the formalities of opening housing provident fund accounts on behalf of its employees. An employer is overdue in the contribution of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people’s court for compulsory enforcement.

On July 20, 2018, the General Office of the CPC Central Committee and the General Office of the State Council jointly issued the Plan for Deepening the Reform of the National and Local Tax Administration System (《國稅地稅徵管體制改革方案》), pursuant to which the tax departments have been responsible for the collection of social insurance contributions in the PRC since January 1, 2019. In September 2018, the State Taxation Administration (the “STA”) issued the Notice on Prudently and Orderly Carrying Out Work Related to the Collection and Administration of Social Insurance Contributions Taxation (《關於穩妥有序做好社會保險費徵管有關工作的通知》). These notices expressly prohibit local departments from independently organizing a concentrated collection of historical social insurance contribution arrears from enterprises.

LAWS AND REGULATIONS RELATED TO INFORMATION SECURITY AND DATA PROTECTION

On December 28, 2021, the Cyberspace Administration of China (the “CAC”), jointly with 12 other administrative authorities, promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》). According to the Measures for Cybersecurity Review, critical information infrastructure operators that purchase network products and services, and network platform operators engaging in data processing activities that affect or may affect national security are subject to cybersecurity review under the Measures for Cybersecurity Review. In addition, network platform operators with personal information of over one million users shall be subject to cybersecurity review before listing abroad. The competent administrative authorities may also initiate a cybersecurity review against the operators if the authorities believe that the network product or service or data processing activities of such operators affect or may affect national security. According to the Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), a data handler that is not a critical information infrastructure operator, will be exempted from declaring for security assessment for outbound data transfer, signing a standard contract with overseas recipient or passing the personal protection certification, if such data handler accumulatively transfers overseas ordinary personal information of less than 100,000 individuals since the January 1 of the current year.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE AND DIVIDEND DISTRIBUTION

Pursuant to the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises (《關於改革外商投資企業外匯資金結匯管理方式的通知》), promulgated by the SAFE on March 30, 2015, amended and implemented on March 23, 2023, and the Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the 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》), promulgated on

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June 9, 2016, and amended and implemented on December 4, 2023, the discretionary settlement of foreign exchange income under the capital account refers to the system under which capital account foreign exchange income explicitly permitted to be settled at discretion (including foreign exchange capital contributions, foreign debt funds, and funds repatriated from overseas listings, etc.) may be settled at banks based on the actual operational needs of domestic entities. The proportion of discretionary settlement of foreign exchange income under the capital account for domestic entities is currently set at 100%, and the SAFE may adjust this proportion in due course in light of the balance of payments situation.

According to the Notice of the People’s Bank of China and the State Administration of Foreign Exchange on Issues concerning the Management of Funds for Overseas Listings by Domestic Enterprises (《中國人民銀行 國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》) issued by the People’s Bank of China and the SAFE, domestic enterprises that list overseas must apply to a bank in the provincial-level or separately listed municipal jurisdiction where they are registered to complete the overseas listing registration within 30 business days from the first trading day of the overseas listing or the completion of the over-allotment.

The principal regulations governing distribution of dividends of foreign-invested enterprises include the PRC Company Law which was promulgated by the NPCSC on December 29, 1993, effective as of July 1, 1994, and most recently revised on December 29, 2023, effective as of July 1, 2024. Under these regulations, joint stock limited companies (including foreign-invested enterprises) in the PRC may pay dividends only out of their accumulated profits, if any, determined in accordance with the PRC accounting standards and regulations. In addition, companies are required to allocate at least 10% of their accumulated profits each year, if any, to fund certain reserve funds unless these reserves have reached 50% of the registered capital of the enterprises.

LAWS AND REGULATIONS RELATING TO MAJOR TAXES APPLICABLE TO THE COMPANY IN THE PRC

Pursuant to the Law of the PRC on Enterprise Income Tax (《中華人民共和國企業所得稅法》), promulgated by the NPC on March 16, 2007, and amended by the NPCSC on December 29, 2018, and the Implementing Regulations for the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》), promulgated by the State Council on December 6, 2007, and most recently amended on December 6, 2024 and effective on January 20, 2025, enterprises are classified into resident enterprises and non-resident enterprises. The rate of enterprise income tax is 25%. Income earned by enterprises from livestock and poultry farming, as well as from the primary processing of agricultural products, is exempt from corporate income tax. Enterprises that qualify as high-tech enterprises enjoy a reduced corporate income tax rate of 15%.

Pursuant to Value-added Tax Law of the People’s Republic of China (《中華人民共和國增值稅法》), promulgated by the NPCSC on December 25, 2024 and implemented on January 1, 2026, a company registered as a general taxpayer applies VAT rates of 13%, 9%, 6%, or 0% depending on the type of business. Sales of self-produced agricultural products by agricultural producers are exempt from VAT.

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LAWS AND REGULATIONS RELATING TO OVERSEAS LISTING

On February 17, 2023, the China Securities Regulatory Commission (the “CSRC”) released the Trial Administrative Measures for 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》), together with five interpretative guidelines thereof (collectively, the “**Trial Measures**”), which became effective on March 31, 2023.

Pursuant to the Trial Measures, domestic companies seek to offer or list securities overseas, both directly and indirectly, shall complete the filing procedures and report relevant information to the CSRC.

Pursuant to the Guidelines for the Application of “Full Circulation” of Unlisted Domestic Shares of H-share Companies (《H股公司境內未上市股份申請「全流通」業務指引》), promulgated by the CSRC on November 14, 2019, most recently revised and implemented on August 10, 2023, and Trial Measures, shareholders who hold domestic unlisted shares of H-share issuers may apply to convert their unlisted shares into listed shares for trading on the Stock Exchange. Issuer will be authorized to file with CSRC on behalf of those shareholders. The filing of the H-share full circulation scheme may proceed simultaneously with the application for the overseas listing and offering filing with CSRC, or separately after the IPO. After the unlisted domestic shares are listed and circulated on the Hong Kong Stock Exchange, they cannot be transferred back to the domestic market.