OVERVIEW

Our business in the PRC is subject to extensive supervision and regulatory control by the PRC government. This section sets out a summary of the principal relevant laws, regulations, rules and policies that may have a material impact on our business.

MAJOR REGULATORY AUTHORITIES

The major regulatory authorities for our business in the PRC include the State Administration for Market Regulation (the "**SAMR**") (formerly known as the State Administration for Industry and Commerce, the "**SAIC**"), the National Development and Reform Commission (the "**NDRC**"), the Ministry of Industry and Information Technology (the "**MIIT**"), the Ministry of Ecology and Environment (the "**MEE**", formerly known as the Ministry of Environmental Protection, the "**MEP**"), the Ministry of Emergency Management (the "**MEM**") and others.

The SAMR is the competent authority responsible for the supervision and management of product quality and safety, market order and comprehensive market regulation. It drafts relevant laws and regulations on market supervision and administration, formulates relevant rules, policies and standards, standardizes and maintains market order, and fosters a market environment of honesty, trustworthiness and fair competition.

The NDRC is mainly responsible for formulating and organizing the implementation of strategies, medium- and long-term plans and annual plans for national economic and social development; proposing overall objectives, major tasks and relevant policies for accelerating the construction of a modern economic system and promoting high-quality development; coordinating and proposing major goals for national economic and social development; monitoring, forecasting and warning macroeconomic and social development trends; and putting forward macroeconomic regulation and control policy recommendations.

The MIIT is mainly responsible for researching and proposing industrial development strategies, formulating industrial sector plans and industrial policies and organizing their implementation; guiding the formulation of technical regulations and industrial standards for the industrial sector; and approving and verifying fixed asset investment projects in the fields of industry, telecommunications and informatization within the scope of national plans and annual plan scales according to the authority prescribed by the State Council.

The MEE is mainly responsible for the overall coordination, supervision and management of major ecological and environmental issues; overseeing the implementation of national emission reduction targets; proposing the scale and direction of fixed asset investment in the ecological and environmental field, as well as opinions on the allocation of national fiscal funds; approving and verifying fixed asset investment projects within the scope of national plans and annual plan scales according to the authority prescribed by the State Council; and coordinating with relevant departments to organize, implement and supervise relevant work.

The MEM is mainly responsible for organizing the development of the overall national emergency response plans and programs, guiding various regions and departments in their responses to emergencies, and promoting the construction of emergency response plan system and the practice of emergency drills; establishing a disaster reporting system and uniformly releasing disaster information, coordinating the construction of emergency response capabilities and material reserves, and uniformly dispatching them during disaster relief, organizing the construction of a disaster relief system, guiding emergency rescue operations for work safety and natural disasters, and undertaking the role of the national command center for responding to particularly major disasters; and taking charge of comprehensive supervision and management of work safety, as well as supervision and management of work safety in the industrial, mining, commercial and trade sectors.

LAWS AND REGULATIONS RELATING TO RECYCLING AND UTILIZATION OF POWER BATTERIES FOR NEW ENERGY VEHICLES

Cleaner Production Promotion Law of the PRC

Pursuant to the Cleaner Production Promotion Law of the PRC (《中華人民共和國清潔生產促進法》) promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on June 29, 2002, and subsequently amended on February 29, 2012 and implemented from July 1, 2012, the State encourages and promotes cleaner production. Under any of the following circumstances, enterprises shall be subject to compulsory cleaner production examination: (1) discharge pollutants beyond the national or local discharge limits or, though under the national or local discharge limits, beyond the total volume control indicators for discharge of major pollutants; (2) exceed the limit for energy consumption per unit of products, which constitutes high energy consumption; (3) use toxic or harmful raw materials for production or discharge toxic or harmful substances during production. Where economic and technological conditions permit, enterprises shall independently recycle the waste, waste heat, and other waste generated in their production and provision of services or transfer such waste to other qualified enterprises and individuals for recycling.

Circular Economy Promotion Law of the PRC

According to the Circular Economy Promotion Law of the PRC (《中華人民共和國循環經濟促進法》) promulgated by the SCNPC on August 29, 2008, and subsequently amended and implemented on October 26, 2018, the State encourages and promotes the construction of a waste recycling system. It also encourages enterprises in various industrial parks to engage in waste exchange and utilization and second-life energy use. The dismantling or recycling of specific products such as waste electrical and electronic products, end-of-life motor vehicles and vessels, waste tires, and waste lead-acid batteries, should comply with the provisions of relevant laws and administrative regulations.

Interim Provisions on the Administration of Recycling and Comprehensive Utilization of Waste Power Batteries of New Energy Vehicles

According to the Interim Provisions on the Administration of Recycling and Comprehensive Utilization of Waste Power Batteries of New Energy Vehicles (《新能源汽車廢舊動力電池回收和綜合利用管理暫行辦法》), which come into effect on April 1, 2026, any entity or individual carrying out activities relating to the recycling, comprehensive utilization of waste power batteries and other related activities within the territory of the PRC shall comply with this provision. It stipulates that battery swapping service enterprises, motor vehicle maintenance enterprises, and end-of-life motor vehicle recycling and dismantling enterprises shall hand over the waste power batteries dismantled by them to comprehensive utilization enterprises for comprehensive utilization, or hand them over to recycling service outlets lawfully established by power battery enterprises or new energy vehicle manufacturers for recycling.

Requirements of the Industry Standards for the Comprehensive Utilization of Waste Power Storage Batteries of New Energy Vehicles and Interim Measures for the Administration of the Announcement of the Industry Standards for the Comprehensive Utilization of Waste Power Storage Batteries of New Energy Vehicles

According to the Requirements of the Industry Standards for the Comprehensive Utilization of Waste Power Batteries of New Energy Vehicles (2024 Edition) (《新能源汽車廢舊動力電池綜合利用行業規範條件(2024年本)》) promulgated by the MIIT on December 16, 2024, and implemented on the same day, enterprises engaged in second-life utilization or recycling of waste power batteries of new energy vehicles shall carry out the comprehensive utilization according to the relevant laws and regulations, national and industrial standards. The factory conditions, facilities and equipment, technical processes, traceability capabilities, resource utilization and energy consumption, etc. shall meet the relevant requirements.

Announcement on Matters Concerning Regulating the Import Administration of Recycled Black Powder Raw Materials for Lithium-ion Batteries and Recycled Steel Raw Materials

According to the Announcement on Matters Concerning Regulating the Import Administration of Recycled Black Powder Raw Materials for Lithium-ion Batteries and Recycled Steel Raw Materials (《關於規範鋰離子電池用再生黑粉原料、再生鋼鐵原料進口管理有關事項的公告》) implemented on August 1, 2025, recycled black powder raw materials for lithium-ion batteries that meet the requirements of the attached table to the Announcement shall not be classified as solid waste and may be imported freely. The Announcement further (1) revises the relevant requirements for recycled steel raw materials, adjusting the classification of recycled steel raw materials from the original seven categories to five categories; (2) clarifies commodity codes; (3) specifies the performance index requirements for recycled steel raw materials and recycled black powder raw materials for lithium-ion batteries in the form of an attached table; (4) clarifies the requirements for shipment, declaration and inspection.

LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

Environmental Protection Law of the PRC

Pursuant to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the "**Environmental Protection Law**") promulgated by the SCNPC on December 26, 1989, and latest amended on April 24, 2014, any entity that discharges or will discharge pollutants in the course of operation or other activities must implement effective environmental protection safeguards and measures to control and properly treat waste gas, waste water, waste residues, dust, malodorous gases, radioactive substances, noise, vibrations, electromagnetic radiation and other hazards produced during such activities. According to the provisions of the Environmental Protection Law, in addition to other relevant laws and regulations of the PRC, the MEE of the PRC and the competent environmental protection authorities of its local people's governments take charge of administering and supervising said environmental protection matters.

Pursuant to the Environmental Protection Law, the environmental impact document on any construction project must assess the pollution that the project is likely to produce and its impact on the environment, and stipulate preventive and curative measures. Installations for the prevention and control of pollution in construction projects must be designed, built, and commissioned together with the principal part of the project.

Facilities for the prevention and control of pollution shall comply with the requirements of the approved environmental impact assessment documents and shall not be dismantled or left idle without authorization.

Law of the PRC on Environmental Impact Assessment

Pursuant to the Law of the PRC on Environmental Impact Assessment (《中華人民共和國環境影響評價法》) promulgated on October 28, 2002, and latest amended on December 29, 2018, the State implements a classification-based management on the environmental impact assessment of construction projects according to the impact of the construction projects on the environment. Construction units shall prepare the Environmental Impact Report or the Environmental Impact Statement or fill out the Environmental Impact Registration Form.

Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste

In accordance with the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》) promulgated by the SCNPC on October 30, 1995, and latest amended on April 29, 2020, the State promotes green development methods and fosters clean production and the development of a circular economy. Units and individuals that generate, collect, store, transport, utilize, and dispose of solid waste shall take measures to prevent or reduce environmental pollution caused by solid waste and bear legal responsibility for environmental pollution they cause. The State establishes an extended producer responsibility system for products such as electrical and electronic appliances, lead-acid batteries, and vehicle power batteries. Producers of these products shall, in accordance with regulations, establish a recycling system for waste products that matches their product sales volume either through self-built or entrusted means, and make such information public to achieve effective recycling and utilization.

Law of the PRC on the Prevention and Control of Water Pollution

According to the Law of the PRC on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) promulgated by the SCNPC on May 11, 1984, and latest amended on June 27, 2017, construction, renovation and expansion projects and other upper-water facilities that directly or indirectly discharge pollutants to water are subject to environmental impact assessment. In addition, water pollution prevention facilities are required to be designed, constructed and put into operation simultaneously with the main part of the project. From January 1, 2018, water pollution prevention facilities are required to be complied with the requirements in the environmental impact report approved by and filed with the competent authorities.

Law of the PRC on the Prevention and Control of Atmospheric Pollution

According to the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》) promulgated by the SCNPC on September 5, 1987, and latest amended on October 26, 2018, construction, renovation and expansion projects which discharge air pollutants shall comply with regulations regarding environmental protection of construction projects. The environmental impact assessment report regarding a construction project, which is subject to the approval of the environmental protection administrative authorities, shall include an assessment of the air pollution the project is likely to produce and its potential impact on the ecological environment. Construction projects that have an impact on the atmospheric environment shall conduct environmental impact assessment, and that discharge of pollutants to the atmosphere shall conform to the atmospheric pollutant discharge standards and abide by the total quantity control requirements for the discharge of key atmospheric pollutants.

Law of the PRC on Noise Pollution Prevention and Control

In accordance with the Law of the PRC on Noise Pollution Prevention and Control (《中華人民共和國噪聲污染防治法》) promulgated by the SCNPC on December 24, 2021, and taking effect on June 5, 2022, the facilities for the prevention and control of noise pollution of a construction project shall be designed, constructed and put into use simultaneously with the main body of the project. Before a construction project is put into production or use, the construction entity shall, in accordance with the provisions of relevant laws and regulations, conduct the acceptance of the supporting facilities for noise pollution prevention and control, work out the acceptance report, and release it to the public. The construction project may not be put into production or use before its acceptance is carried out or if it fails to pass its acceptance.

Measures for the Administration of Pollutant Discharge Licenses

In accordance with the Measures for the Administration of Pollutant Discharge Licenses (《排污許可管理辦法》) promulgated by the MEE on April 1, 2024, and taking effect on July 1, 2024, enterprises subject to pollutant discharge license management are required to apply for and obtain the Pollutant Discharge License pursuant to the law and discharge pollutants according to the provisions of the Pollutant Discharge License, and shall not discharge pollutants without the pollutant discharge license. Enterprises that need to fill in the pollutant discharge registration form shall register the pollutant discharge on the National Pollutant Discharge License Management Information Platform.

LAWS AND REGULATIONS RELATING TO HAZARDOUS CHEMICALS

Measures for the Administration of Registration of Hazardous Chemicals

According to the Measures for the Administration of Registration of Hazardous Chemicals (《危險化學品登記管理辦法》) promulgated by the former State Administration of Work Safety (now the MEM) on October 8, 2002, and latest amended on July 1, 2012, the MEM is responsible for the supervision and management of hazardous chemicals registration. New hazardous chemicals production enterprises shall go through the hazardous chemicals registration process before the completion and acceptance inspection. The validity period of the hazardous chemicals registration certificate is 3 years. The original and duplicate copies of the hazardous chemicals registration certificate shall indicate the certificate serial number, enterprise name, registered address, nature of the enterprise, type of registration, validity period, issuing authority, and date of issuance. It should be noted under the nature of the registered enterprise whether the enterprise is a hazardous chemicals production enterprise, a hazardous chemicals import enterprise, or both.

Regulations on Safety Management of Hazardous Chemicals

Pursuant to the Regulations on Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》) promulgated by the State Council on January 26, 2002, and latest amended on December 7, 2013, hazardous chemicals include hyper-toxic and other hazardous chemicals that are toxic, corrosive, explosive, flammable or combustion-supporting, which are dangerous to the human body, facilities and environment. The relevant government authorities will promulgate and adjust the Catalogs of Hazardous Chemicals from time to time. An enterprise which engages in the production of hazardous chemicals must obtain the Safety Production Permit for Hazardous Chemicals prior to the commencement of production. An enterprise producing hazardous chemicals listed in the Catalog of the Industrial Products that are subject to the production licensing system shall obtain the Production License for Industrial Products pursuant to the Regulations of the PRC for the Administration of Production Licenses for Industrial Products (《中華人民共和國工業產品生產許可證管理條例》).

The safety conditions of newly built, altered or expanded construction projects for the production and storage of hazardous chemicals are subject to the scrutiny of the work safety administrative department. In the event that the enterprise undertaking such construction projects fails to meet the safety conditions, the relevant work safety administrative department shall order such enterprise to cease operation and rectify within the specified period.

The State implemented a licensing system for the operation of hazardous chemicals (including warehousing). No entity or individual may deal in hazardous chemicals without such licensing. If an enterprise engaging in the production of hazardous chemicals which is established according to the laws sells hazardous chemicals it produces in the factory, the Operation Permit for Hazardous Chemicals is not required. If a chemical enterprise uses hazardous chemicals for production and the quantities reach the prescribed threshold, the enterprise shall obtain the Permits for the Safe Use of Hazardous Chemicals pursuant to the Regulations on Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》), save for those enterprises engaging in the production of hazardous chemicals. An enterprise which engages in road transportation of hazardous chemicals should comply with provisions of laws and administrative regulations on road transport, obtain the license for road transportation of hazardous chemicals, and proceed with registration procedures with the administrative department of industry and commerce. An enterprise engaging in road transportation of hazardous chemicals should be equipped with full-time safety management personnel.

Measures for Implementation of Safety Production Permit of Hazardous Chemicals Production Enterprises

According to the Measures for Implementation of Safety Production Permit of Hazardous Chemicals Production Enterprises (《危險化學品生產企業安全生產許可證實施辦法》) promulgated by the former State Administration of Work Safety (now the EMM) on August 5, 2011, and latest amended on March 6, 2017, a hazardous chemicals production enterprise refers to an enterprise that is legally established and has obtained a business license or a business approval document to engage in the production of final products or intermediate products listed in the Hazardous Chemicals Directory. Hazardous chemicals production enterprises shall obtain a work safety license. Any enterprise that has not obtained a work safety license shall not engage in any related production activities.

Measures for the Safety Supervision and Administration of Construction Projects Involving Hazardous Chemicals

According to the Measures for the Safety Supervision and Administration of Construction Projects Involving Hazardous Chemicals (《危險化學品建設項目安全監督管理辦法》) promulgated by the former State Administration of Work Safety (now the EMM) on January 30, 2012, and latest amended on May 27, 2015, new construction, alternation, and expansion of construction projects for the production and storage of dangerous chemicals, as well as chemical construction projects that involve the generation of dangerous chemicals (including the construction projects for long-distance transmission pipelines of dangerous chemicals), shall undergo safety reviews, i.e. reviews of safety conditions and designs of safety facilities. Construction projects that have not undergone safety reviews and the completion acceptance of safety facilities shall not commence construction or be put into production (or use).

LAWS AND REGULATIONS RELATING TO WORK SAFETY

Work Safety Law of the PRC

Pursuant to the Work Safety Law of the PRC (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002, and latest amended on June 10, 2021, production and business operation entities must abide by the law and other laws and regulations concerning work safety, and strengthen work safety management by setting up and perfecting the responsibility system for work safety of all employees and rules and regulations on work safety, increasing the input and guarantee of funds, materials, technologies, and personnel in terms of work safety, improving the conditions for work safety, strengthening the standardization and informatization of work safety, building a dual prevention mechanism of level-to-level safety risk management and control and hidden danger identification and management, and perfecting the risk prevention and resolution mechanism to raise the work safety level and ensure work safety. The law stipulates provisions on work safety guarantees for production and business operation entities, the work safety rights and obligations of employees, supervision and management of work safety, emergency rescue, investigation and treatment of work safety accidents, and legal liabilities in relation thereto.

Regulations on Work Safety Licenses

Pursuant to the Regulations on Work Safety Licenses (《安全生產許可證條例》) issued by the State Council on January 13, 2004, and latest amended on July 29, 2014, the State applies a work safety licensing system to enterprises engaged in mining, construction and production of hazardous chemicals, fireworks and firecrackers, and civil explosives. Without work safety licenses, the aforementioned enterprises shall not engage in production activities.

LAWS RELATING TO PRODUCT LIABILITY

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 SCNPC on February 22, 1993 and latest amended on December 29, 2018, stipulates that manufacturers shall be liable for the quality of products produced by them, and sellers shall take measures to ensure the quality of the products sold by them. A manufacturer shall be liable for compensation for any personal injury or property damage, other than the defective product itself, resulting from the defects in the product, unless the manufacturer is able to prove that (1) the product has never been distributed; (2) the defects causing injuries or damages did not exist at the time when the product was distributed; or (3) the science and technology at the time when the product was distributed was at a level incapable of detecting the defects. A seller shall be liable for compensation for any personal injury or property damage to others caused by the defects in the product if such defects are attributable to the seller. A seller shall pay compensation if it fails to indicate either the manufacturer or the supplier of the defective product. Individuals who suffer personal injury or property damage due to defects in the product may claim compensation from either the manufacturer or the seller.

On May 28, 2020, the Civil Code (《民法典》) was adopted by the third session of the 13th NPC, replacing the previous effective relevant laws, according to which, in general, manufacturers shall assume tort liabilities where the defects in products cause damage to others, and sellers shall assume tort liabilities where the defects in products that have caused damage to others are attributable to the sellers. The infringed party may claim compensation from the manufacturer or the seller of the defective product that has caused damage.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY PROTECTIONS

Patents

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》), latest amended on October 17, 2020, and taking effect from June 1, 2021, patents in China fall into three categories: invention, utility model and design. Under the currently effective PRC Patent Law, the term of patent protection starts from the date of application. Patents relating to invention, utility model and design are effective for twenty, ten and fifteen years from the date of application, respectively. The PRC Patent Law adopts the principle of "first-to-file" system, which provides that where more than one person files a patent application for the same invention, a patent will be granted to the person who first files the application.

Trade Secrets

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), which was promulgated on September 2, 1993, and latest amended on June 27, 2025, the term "trade secrets" refers to technical and business information that is unknown to the public, has utility and may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Trade secret requirements under the current framework in China is still under development and not robust.

Under the Anti-Unfair Competition Law of the PRC, business persons are prohibited from infringing others' trade secrets by: (1) acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (2) disclosing, using, or allowing another person to use a trade secret acquired from the right holder by any means as specified in the item (1) above; (3) disclosing, using, or allowing another person to use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential; (4) abetting a person, or tempting, or aiding a person into or in acquiring, disclosing, using, or allowing another person to use the trade secret of the right holder in violation of his or her non-disclosure obligation or the requirements of the right holder for keeping the trade secret confidential. If a third party knows or should have known that an employee or former employee of the right owner of trade secrets or any other entity or individual conducts any of the illegal acts listed above, but still accepts, publishes, uses or allows any other to use such secrets, this practice will be deemed as an infringement of trade secrets.

Trademarks

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, latest amended on April 23, 2019, and effective from November 1, 2019, the validity period for a registered trademark is ten years, commencing from the date of registration. The registrant shall go through the formalities for renewal within twelve months prior to the expiry date of the trademark if continued use is intended. Where the registrant fails to do so, a grace period of six months may be granted. The validity period for each renewal of registration is ten years commencing from the day immediately after the expiry of the preceding validity period for the trademark. In the absence of renewal upon expiry, the registered trademark shall be canceled. Industrial and commercial administrative authorities have the authority to investigate any behavior in infringement of the exclusive right under a registered trademark in accordance with the law. In case of a suspected criminal offense, the case shall be timely referred to a judicial authority and decided according to the law.

Copyright

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》), effective on June 1, 1991 and latest amended on November 11, 2020, copyrights include personal rights such as the right of publication and that of attribution as well as property rights such as the rights of production and distribution. Reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein, unless otherwise provided in the Copyright Law of the PRC, constitutes infringements of copyrights. The infringer must, according to the circumstances of the case, undertake to cease the infringement, take remedial action, and offer an apology or pay damages.

Domain Names

The Ministry of Industry and Information Technology (the "**MIIT**") promulgated the Administrative Measures on the Internet Domain Names (《互聯網域名管理辦法》) on August 24, 2017 and China Internet Network Information Center promulgated the Implementing Rules of China ccTLD Registration (《國家頂級域名註冊實施細則》) on June 18, 2019. The MIIT is the main regulatory authority responsible for the administration of Internet domain names in the PRC. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

Pursuant to the Catalogue of Industries for Encouraging Foreign Investment (2025 Edition) (鼓勵外商投資產業目錄(2025年版) (the "**2025 Catalogue**"), which was promulgated by the MOFCOM and the NDRC on December 15, 2025 and effective on February 1, 2026, the Special

Administrative Measures (Negative List) for the Access of Foreign Investment in Pilot Free Trade Zones (2021 Edition) (《自由貿易試驗區外商投資准入特別管理措施(負面清單) (2021年版)》), effective on January 1, 2022, and the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Edition) (《外商投資准入特別管理措施(負面清單) (2024年版)》) (the "**2024 Negative List**"), effective on November 1, 2024, industries are divided into two categories: encouraged industries and industries within the Negative List. The 2024 Negative List is further divided into two sub-categories: restricted industries and prohibited industries. Foreign investors are not allowed to invest in industries in the prohibited category.

On March 15, 2019, the NPC approved the Foreign Investment Law of the PRC (《外商投資法》), which became effective on January 1, 2020. According to the Foreign Investment Law, "foreign investment" refers to investment activities directly or indirectly conducted by one or more natural persons, business entities, or other organizations of a foreign country (collectively referred to as "**foreign investor**") within China, and "investment activities" include the following activities: (i) a foreign investor, individually or together with other investors, establishes a foreign-invested enterprise within China; (ii) a foreign investor acquires stock shares, equity shares, shares in assets, or other similar rights and interests of an enterprise within China; (iii) a foreign investor, individually or together with other investors, invests in a new construction project within China; and (iv) investments in other means as provided by the laws, administrative regulations or the State Council. The Foreign Investment Law grants foreign invested entities the same treatment as PRC domestic entities, except for those foreign invested entities that operate in industries deemed to be either "restricted" or "prohibited" in the Negative List.

On December 26, 2019, the State Council promulgated the Implementation Rules to the Foreign Investment Law (《外商投資法實施條例》), which became effective on January 1, 2020. The implementation rules further clarified that the State encourages and promotes foreign investment, protects the lawful rights and interests of foreign investors, regulates foreign investment administration, continues to optimize foreign investment environment, and advances a higher-level opening.

On December 30, 2019, the MOFCOM and the SAMR jointly promulgated the Measures for Information Reporting on Foreign Investment (《外商投資信息報告辦法》), which became effective on January 1, 2020. Pursuant to the Measures for Information Reporting on Foreign Investment, where a foreign investor carries out investment activities in China, the foreign investor shall submit the investment information to the competent commerce department.

OVERSEAS LISTING REGULATIONS

The CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**") and relevant guidelines on February 17, 2023. The Overseas Listing Trial Measures comprehensively reformed the regulatory regime for overseas offering and listing of the PRC domestic companies, either directly or indirectly, into a filing-based system.

According to the Overseas Listing Trial Measures, the PRC domestic companies that seek overseas offering and listing, either in direct or indirect means, are required to fulfill the filing procedure with the CSRC and submit relevant information. The Overseas Listing Trial Measures provide that an overseas listing or offering is explicitly prohibited, if any of the following applies: (i) listing and financing is explicitly prohibited by provisions in the PRC laws, administrative regulations or relevant State regulations; (ii) overseas offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with the law; (iii) the domestic enterprises or their controlling shareholders or actual controllers have committed crimes such as corruption, bribery, embezzlement of property, misappropriation of property or disruption of the order of the socialist market economy during the latest three years; (iv) the domestic enterprises are under official investigation in accordance with the law for any suspected crime or severe violations of laws and regulations without any explicit conclusions; or (v) there are major ownership disputes over the stock rights held by the controlling shareholders and/or such shareholders as controlled by the controlling shareholders or actual controllers.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Confidentiality Provisions**"), which became effective from March 31, 2023. Pursuant to the Confidentiality Provisions, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE

The Administrative Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on January 29, 1996 and latest amended on August 5, 2008, are the principal regulations governing the foreign exchange in China. Foreign exchange payments under current account items shall, pursuant to the administrative provisions of the foreign exchange control department of the State Council on payments of foreign currencies and purchase of foreign currencies, be made using self-owned foreign currency or foreign currency purchased from financial institutions engaging in conversion and sale of foreign currencies by presenting the valid document. Domestic entities and domestic individuals making overseas direct investments or engaging in issuance and trading of overseas marketable securities and derivatives shall process registration formalities pursuant to the provisions of the foreign exchange control department of the State Council.

On November 19, 2012, the SAFE issued the Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the "**SAFE Circular 59**"), which came into effect on December 17, 2012 and lasted amended on October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 59 aims to simplify the foreign exchange procedure and promote the facilitation of investment and trade. According to the SAFE Circular 59, the opening of various special purpose foreign exchange accounts, such as pre-establishment expenses accounts, foreign exchange capital accounts and guarantee accounts, the reinvestment of RMB proceeds derived by foreign investors in the PRC, and remittance of foreign exchange profits and dividends by a foreign-invested enterprise to its foreign shareholders no longer require the approval or verification of SAFE, multiple capital accounts for the same entity may be opened in different provinces as well. Later, the SAFE promulgated the Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) in February 2015, which was partially abolished in December 2019, prescribed that the bank instead of SAFE can directly handle the foreign exchange registration and approval under foreign direct investment while SAFE and its branches indirectly supervise the foreign exchange registration and approval under foreign direct investment through the bank.

According to the Notice on Issues Concerning Fund Management Relating to Overseas Listings by Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》) issued on December 24, 2025 and effective on April 1, 2026, proceeds from overseas listings, share reductions or transfers may be repatriated in foreign currency or RMB; H-share "Full Circulation" issuers shall pay dividends to domestic shareholders in RMB within the PRC; proceeds repatriated in foreign currency may be freely converted; issuers may choose their own exchange rate risk management methods; and, in principle, such funds should be promptly remitted back to the PRC, unless approved or filed with the competent authorities before the closing of the overseas listing or over-allotment for offshore uses.

According to the Circular of the State Administration of Foreign Exchange on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular 19**"), which was promulgated on March 30, 2015, effective on June 1, 2015, partially abolished on December 30, 2019 and amended on March 23, 2023, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operations. Whilst, foreign-invested enterprises are prohibited to use the foreign exchange capital settled in RMB (a) for any expenditures beyond the business scope of the foreign-invested enterprises or forbidden by laws and regulations; (b) for direct or indirect securities investment; (c) to provide entrusted loans (unless permitted in the business scope), repay loans between enterprises (including advances by third parties) or repay RMB bank loans that have been on-lent to a third party; and (d) to purchase real estate not for self-use purposes (save for real estate enterprises).

On June 9, 2016, the SAFE issued and gave effect to the Circular of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (the "**SAFE Circular 16**"), which was partially amended on December 4, 2023. The SAFE Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange may be used to extend loans to related parties or repay inter-company loans (including advances by third parties).

On October 23, 2019, the SAFE promulgated and gave effect to the Circular on Further Facilitating Cross-Board Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (except for Article 8.2, which became effective on January 1, 2020), which was partially amended on December 4, 2023. The circular canceled restrictions on domestic equity investments made with capital funds by non-investing foreign-funded enterprises. In addition, restrictions on the use of funds for foreign exchange settlement of domestic accounts for the realization of assets have been removed and restrictions on the use and foreign exchange settlement of foreign investors' security deposits have been relaxed. Eligible enterprises in the pilot area are also allowed to use income under the capital account, such as capital funds, foreign debts and overseas listing income for domestic payments, without prior provision of proof materials for veracity to the bank for each transaction, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital revenue management regulations.

According to the Circular of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), which was issued by the SAFE on April 10, 2020, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, eligible enterprises are allowed to use income under the capital account, such as capital funds, foreign debts and overseas listing income for domestic payment, without prior provision of proof materials for veracity to the bank for each transaction. The bank in charge shall conduct random checks in accordance with the relevant requirements.

REGULATIONS RELATING TO EMPLOYEE STOCK INCENTIVE PLAN

On February 15, 2012, the SAFE promulgated the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (the "**Stock Incentive Exchange Rules**"). In accordance with the Stock Incentive Exchange Rules and relevant laws and regulations, the PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with the SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain procedures. In addition, the SAT has issued circulars concerning employee stock incentive plans. Under these circulars, employees working in the PRC who are entitled to income from the stock incentives will be subject to the PRC individual income tax. The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee stock incentive plans with relevant tax authorities and to withhold individual income tax of those employees related to their incentive income. If the employees fail to pay, or the PRC subsidiaries fail to withhold, their individual income tax according to relevant laws, rules and regulations, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC government authorities.

LAWS AND REGULATIONS RELATING TO DIVIDEND DISTRIBUTIONS

Pursuant to the Company Law of the PRC (《中華人民共和國公司法》), the Foreign Investment Law and its Implementing Regulations, foreign-invested enterprises may pay dividends only out of their accumulated profit, if any, as determined in accordance with PRC accounting standards and regulations. A PRC company is required to allocate at least 10% of its accumulated after-tax profits each year, if any, to fund certain capital reserve funds until the aggregate amount of these reserve funds has reached 50% of the registered capital of the enterprise. A PRC company is not permitted to distribute any profits until any losses from prior fiscal years have been offset.

The SAFE issued the Notice on Improving the Check of Authenticity and Compliance to Further Promote Foreign Exchange Administration Reform (關於進一步推進外匯管理改革完善真實合規性審核的通知) in January 2017, which stipulates several capital control measures with respect to outbound remittance of profits from domestic entities to offshore entities, including the following: (1) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements for any remittance of profits of more than USD50,000 (exclusive); and (2) domestic entities shall hold income to account for previous years' losses according to the law before remitting the profits. Moreover, domestic entities shall make detailed explanations of sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration and outward remittance procedures in connection with a direct outbound investment.

LAWS AND REGULATIONS RELATING TO EMPLOYMENT, SOCIAL SECURITY AND HOUSING PROVIDENT FUNDS

Labor Law, Labor Contract Law, and its Implementation Regulations

Pursuant 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 latest amended on December 29, 2018 and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007 and latest amended on December 28, 2012, employers shall execute written labor contracts with full-time employees. All employers shall comply with local minimum wage standards. Employers shall establish a comprehensive management system to protect the rights of their employees, including a system governing occupational health and safety to provide employees with occupational training to prevent occupational injury, and employers are also required to truthfully inform prospective employees of the job description, working conditions, location, occupational hazards and status of safe production, as well as remuneration and other conditions. Serious violations of the Labor Contract Law of the PRC and the Labor Law of the PRC may result in the imposition of fines and other administrative and criminal liabilities.

Regulations on Social Insurance and Housing Provident Funds

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010 and latest amended on December 29, 2018, the Interim Regulations on the Collection and Payment of Social Security Funds (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and latest amended on March 24, 2019, and the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999 and latest amended on March 24, 2019, employers like our subsidiaries in the PRC shall provide employees with welfare schemes covering basic pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing provident funds. Employers are required to make payments to the local administrative authorities, and if they fail to make such payments, the local administrative authorities shall order them to pay or make up the shortfall within a specified time limit and impose a late fee. If such payments are still not made by the deadline, a fine shall be imposed by the relevant administrative departments.

Pursuant to the Interpretation II of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) promulgated on July 31, 2025, and implemented on September 1, 2025, any agreement between an employer and an employee or any commitment made by an employee to the employer stating that social insurance premiums need not be paid shall be deemed invalid by the people's court. If an employer fails to pay social insurance premiums in accordance with the law, and the employee requests to terminate the labor contract and claims economic compensation pursuant to Article 38(3) of the Labor Contract Law, the people's court shall support such claims in accordance with the law. In the circumstances described in the preceding paragraph, if the employer subsequently pays the social insurance premiums in accordance with the law and requests the employee to return the compensation already paid for the social insurance premiums, the people's court shall support such requests in accordance with the law.

LAWS AND REGULATIONS RELATING TO TAXATION

Regulations on Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) effective on January 1, 2008 and latest amended on December 29, 2018, the income tax rate for both domestic and foreign-invested enterprises is 25% with certain exceptions. As for enterprises qualified as "high and new technological enterprises", the applicable income tax rate shall be reduced to 15%. To clarify certain provisions in the Enterprise Income Tax Law of the PRC, the State Council promulgated 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》) on December 6, 2007, which was latest amended on December 6, 2024 and became effective on January 20, 2025. Under the Enterprise Income Tax Law of the PRC and the Implementation Rules of the Enterprise Income Tax Law of the PRC, enterprises are classified as either "resident enterprises" or "non-resident enterprises." Aside from enterprises established within the PRC, enterprises established outside of the PRC whose de facto management bodies are located in the PRC are considered "resident enterprises" and are subject to the uniform 25% enterprise income tax rate for their global income. In addition, the Enterprise Income Tax Law of the PRC provides that a "non-resident enterprise" refers to an entity established under foreign law whose de facto management bodies are not located in the PRC but has an establishment or place of business in the PRC, or does not have an establishment or place of business in the PRC but has income derived from sources within the PRC.

The Implementation Rules of the Enterprise Income Tax Law of the PRC provide that since January 1, 2008, an income tax rate of 10% shall normally be applicable to dividends declared to "non-resident enterprise" investors that do not have an establishment or place of business in the PRC, or have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC. The income tax on the dividends may be reduced pursuant to a tax treaty between China and the jurisdictions in which the non-PRC shareholders reside.

According to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and 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》) ("**Double Tax Avoidance Arrangement**"), which was promulgated and became effective on December 8, 2006, the withholding tax rate in respect of the payment of dividends by a PRC resident enterprise to a Hong Kong enterprise may be reduced to 5% from a standard rate of 10% if the Hong Kong enterprise directly holds at least 25% of the PRC enterprise and certain other conditions are met, including: (i) the Hong Kong enterprise must directly own the required percentage of equity interests and voting rights in the PRC resident enterprise; and (ii) the Hong Kong enterprise must have directly owned such required percentage in the PRC resident enterprise throughout the 12 months prior to receiving the dividends. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties (《關於執行稅收協定股息條款有關問題的通知》) promulgated by the SAT on February 20, 2009, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement on Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties (《關於稅收協定中「受益所有人」有關問題的公告》) promulgated by the SAT on February 3, 2018 and became effective from April 1, 2018, if an applicant's business activities do not constitute substantive business activities, it could result in the negative determination of the applicant's status as a "beneficial owner", and consequently, the applicant could be precluded from enjoying the abovementioned reduced income tax rate of 5% under the Double Tax Avoidance Arrangement.

Regulations on Value-Added Tax

Pursuant to the Value-added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》) promulgated by the SCNPC on December 25, 2024 and effective on January 1, 2026, all enterprises and individuals engaged in the sale of goods, the provision of processing, repairing and replacement of services, and the importation of goods within the territory of the PRC must pay value-added tax. On November 19, 2017, the State Council promulgated the Decisions on Abolition of the Provisional Regulations of the PRC on Business Tax and Revision of the Provisional Regulations of the PRC on Value-Added Tax (《關於廢止<中華人民共和國營業稅暫行條例>和修改<中華人民共和國增值稅暫行條例>的決定》) ("**Order 691**"). According to the VAT Law and Order 691, all enterprises and individuals engaged in the sale of goods, the provision of processing, repairing and replacement of services, sales of services, intangible assets, real property, and the importation of goods within the territory of the PRC must pay VAT. The VAT tax rates generally applicable are simplified as 17%, 11%, 6% and 0%, and the VAT tax rate applicable to the small-scale taxpayers is 3%. The Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting Value-Added Tax Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) (the "**Notice**") was promulgated on April 4, 2018 and came into effect on May 1, 2018. According to the Notice, the VAT tax rates of 17% and 11% are changed to 16% and 10%, respectively. According to the Announcement on Policies for Deeping the VAT Reform (《關於深化增值稅改革有關政策的公告》) jointly promulgated by the Ministry of Finance, the STA and the General Administration of Customs on March 20, 2019 and came into effect on April 1, 2019, and partially abolished on September 1, 2025 the VAT tax rates of 16% and 10% are further changed to 13% and 9%, respectively.

LAWS AND REGULATIONS RELATING TO CONSTRUCTION AND REAL ESTATE

Approval of or Filing for Projects

Pursuant to the Regulations on the Administration of Approval and Filing of Enterprise Investment Projects (《企業投資項目核准和備案管理條例》) promulgated by the State Council and effective on February 1, 2017, fixed asset investment projects related to national security, layout of major production capacity across the country, strategic resources development and major public interests, etc. shall be subject to administration by approval. Projects other than those prescribed above shall be subject to administration by filing.

Inspection and Acceptance of Environmental Protection Facilities

According to the Regulations on Environmental Protection Management for Construction Projects (《建設項目環境保護管理條例》) latest amended by the State Council on July 16, 2017, after the completion of the construction of a construction project for which an Environmental Impact Report or an Environmental Impact Statement has been drawn up, the construction unit shall, in accordance with the standards and procedures prescribed by the competent administrative department of environmental protection under the State Council, conduct an inspection and acceptance of the matching environmental protection facilities and prepare an inspection and acceptance report. The Interim Measures for Inspection and Acceptance of Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), which was promulgated by the former MEP on November 20, 2017 and became effective on the same date, regulate the specific procedures and standards for environmental protection inspection and acceptance by construction entities independently upon the completion of construction projects.

Construction Permits

According to the Construction Law of the PRC (《中華人民共和國建築法》) latest amended on April 23, 2019 and the Measures for the Administration of Construction Permits for Construction Projects (《建築工程施工許可管理辦法》) latest amended on March 30, 2021, for the construction, renovation and decoration of all kinds of buildings and the auxiliary facilities thereof, the installation of supporting lines, pipes and equipment, and the construction of municipal infrastructure projects in cities and towns, the construction entity shall, prior to starting the construction, apply to the housing and urban-rural development administrative department of the people's government at or above the county level where the project is located for a construction permit. For a construction project of which investment is less than RMB300,000 or construction area is less than 300 square meters, the construction entity may be allowed not to apply for a construction permit.

Fire Protection Design Approval and Filing

The Fire Prevention Law of the PRC (《中華人民共和國消防法》) (the "**Fire Prevention Law**") was adopted on April 29, 1998 and latest amended on April 29, 2021. The Fire Prevention Law provides that the fire prevention design and construction of a construction project must conform to the national fire prevention technical standards. The developer, designer, constructors and project supervisor shall be responsible for the quality of the fire prevention design and construction for the construction work according to the relevant laws. For a construction project which requires a fire prevention design under the national fire protection technical standards, a construction project fire protection design review and acceptance system shall be implemented.

According to the Fire Prevention Law and the Interim Provisions on Design Inspection and Acceptance of Fire Protection of Construction Works (《建設工程消防設計審查驗收管理暫行規定》) (the "**Interim Provisions on Fire Protection**") promulgated on April 1, 2020 and latest amended on August 21, 2023, the special construction works stipulated in the Interim Provisions on Fire Protection shall be subject to fire protection design review before the construction and shall be subject to fire protection inspection before put into use. Other construction works other than special construction works are required to file for fire protection inspection and acceptance and be subject to random fire protection inspection and acceptance by the competent authority of housing and urban-rural construction. If a project fails to pass the random fire protection inspection and acceptance, the project shall cease to be in use.

Completion Inspection and Acceptance

According to the Construction Law of the PRC (《中華人民共和國建築法》) and the Regulations on the Administration of Construction Project Quality (《建設工程質量管理條例》), the construction unit shall, after it receives the report of construction completion of its project, organize the units involved in the design, construction and engineering supervision to carry out the completion inspection and acceptance, and the construction works shall only be delivered for use upon passing the inspection and acceptance.

Regulations on Real Estates

Pursuant to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986, and latest amended on August 26, 2019, the PRC applies a system of control over the purposes of use of land, including land for agriculture, land for construction and unused land. All units and individuals shall use land in strict compliance with the purposes of use defined in the overall plans for land utilization. Registration of ownership and right to the use of land shall be governed by the laws and administrative regulations relating to real estate registration. The legally registered ownership and right to the use of land shall be protected by the law and may not be infringed upon by any entities or individuals.

Pursuant to Law of the PRC on the Administration of the Urban Real Estate (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on July 5, 1994 and latest amended on August 26, 2019, the PRC practices a system of registration and certification for land-use right and ownership of houses. Where a house has been built on the land for real estate development obtained pursuant to the law, an application for registration shall, on the strength of the certificate of land-use right, be submitted to the department of housing administration under the local people's government at or above the county level.