This Appendix outlines briefly the laws and regulations in China that are relevant to the operation and business of the Company. Laws and regulations regarding taxation in China are discussed elsewhere in this document (Appendix III — Taxes and Foreign Exchanges). This Appendix also contains a summary of the legal and regulatory provisions of the Company Law of the People's Republic of China. The primary purpose of this summary is to provide potential investors with an overview of the principal legal and regulatory provisions that are applicable to the Company. It is not intended to cover all the information that is important to potential investors. For a discussion of the laws and regulations that are relevant to the business of the Company, please refer to the Regulations in this document.

LEGAL SYSTEM IN CHINA

The legal system within China is based on the Constitution of the People's Republic of China ("**Constitution**"), and is composed of written laws, administrative regulations, local regulations, separate regulations, rules and regulations of departments under the State Council, rules and regulations of local governments, autonomous regulations, separate regulations of autonomous regions, laws of special administrative regions, and international treaties and other regulatory documents signed by the Chinese government. Court decisions do not constitute binding precedents, but can be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the People's Republic of China ("**Legislation Law**"), which was amended by the National People's Congress on March 13, 2023 and entered into force on March 15, 2023, the National People's Congress and its Standing Committee have the authority to exercise state legislative authority. The National People's Congress has the authority to enact and amend basic laws that relate to criminal and civil matters, state institutions and other matters. The Standing Committee of the National People's Congress has the authority to enact and amend laws other than those that should be enacted by the National People's Congress, and to supplement and amend in part the laws enacted by the National People's Congress when the National People's Congress is not in session, provided that the supplements and amendments shall not contravene the basic principles of such laws.

The State Council is the highest state administrative authority and has the authority to enact administrative regulations in accordance with the Constitution and laws. The people's congresses and their standing committees of the provinces, autonomous regions and municipalities directly under the Central Government may, in light of the specific conditions and actual needs of their respective administrative areas, enact local regulations, provided that such regulations shall not contravene the Constitution, the laws and administrative regulations. The people's congresses and their standing committees of the cities divided into districts may, in light of the specific local conditions and actual needs, enact local regulations regarding urban and rural development and management, environmental protection, historical and cultural protection and other matters, provided that such local regulations shall not contravene the Constitution, the laws, administrative regulations, and the local regulations of their respective provinces or autonomous regions. Where there are other legal provisions on the enactment of local regulations by the cities divided into districts, such provisions shall prevail. Local regulations of the autonomous region shall take effect upon approval.

The standing committees of the people's congresses of the provinces or autonomous regions shall examine the legality of the local regulations submitted for approval, and shall approve such regulations within four months if they believe that such regulations do not contravene the Constitution, laws, administrative regulations, and the local regulations of their respective provinces or autonomous regions. The people's congresses of national autonomous areas have the power to enact regulations on the exercise of autonomy and separate regulations in the light of the political, economic and cultural characteristics of the nationality or nationalities in the areas concerned. All ministries and commissions of the State Council, the People's Bank of China, the National Audit Office, and public institutions with administrative functions directly under the State Council may, in accordance with laws and administrative regulations, decisions and rulings of the State Council, formulate rules within the scope of their respective functions and powers.

The Constitution is of the highest legal force, and no law, administrative regulation, local regulation, autonomous regulation, or separate regulation or rule may contravene the Constitution. A law is of higher legal force than an administrative regulation, a local regulation, and a rule. An administrative regulation is of higher legal force than a local regulation and a rule. The regulations formulated by the people's government of a province or autonomous region are of higher legal force than the rules formulated by the people's government of a city divided into districts within the administrative area of the province or autonomous region.

The National People's Congress has the power to amend or withdraw any inappropriate laws formulated by its Standing Committee, as well as any autonomous region regulations or separate regulations which have been approved by its Standing Committee but which contravene the provisions of the Constitution or the Legislation Law. The Standing Committee of the National People's Congress has the power to withdraw any administrative regulations which contravene the Constitution or laws, any local regulations which contravene the Constitution, laws or administrative regulations, and any autonomous region regulations or separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government but which contravene the provisions of the Constitution or the Legislation Law. The State Council has the power to amend or withdraw any inappropriate departmental rules or local rules. The people's congress of a province, autonomous region or municipality directly under the Central Government has the power to amend or withdraw any inappropriate local regulations formulated or approved by its standing committee. The standing committee of a local people's congress has the power to withdraw any inappropriate rules formulated by the people's government at the same level. The people's government of a province or autonomous region has the power to amend or withdraw any inappropriate rules formulated by people's governments at the next lower level.

In accordance with the Constitution and the Legislation Law, the power of legal interpretation belongs to the Standing Committee of the National People's Congress. According to the Resolution of the Standing Committee of the National People's Congress on Strengthening the Interpretation of Laws, adopted by the Standing Committee of the National People's Congress and effective on June 10, 1981, the Supreme People's Court shall provide interpretations on issues concerning the specific application of laws and regulations encountered during trial proceedings. The Supreme People's Procuratorate shall provide interpretations on all issues concerning the specific application of laws and regulations in procuratorial work. Specific issues concerning the application of laws and regulations unrelated to judicial and prosecutorial work shall be interpreted by the State Council and the competent authorities.

Regarding the specific application of laws and regulations in court proceedings, the Supreme People's Court shall provide interpretations. Regarding the specific application of laws and regulations in procuratorial work, the Supreme People's Procuratorate shall provide interpretations.

Any provisions of local regulations that need further definition or supplementary provisions shall be interpreted or stipulated by the standing committees of the people's congresses of the provinces, autonomous regions and centrally-administered municipalities that have formulated such regulations. The competent departments of the people's governments of provinces, autonomous regions and centrally-administered municipalities shall be responsible for the interpretation of local regulations on the specific application thereof.

JUDICIAL SYSTEM OF CHINA

According to the Constitution and the Organic Law of People's Courts of the People's Republic of China revised by the Standing Committee of the National People's Congress on October 26, 2018 and effective January 1, 2019, people's courts are composed of the Supreme People's Court, local people's courts at various levels and special people's courts. Local people's courts at various levels are divided into three levels, that is, primary people's courts, intermediate people's courts and higher people's courts. A primary people's court may set up a number of people's tribunals according to the conditions of the locality, population and cases. The Supreme People's Court is the highest judicial organ. The Supreme People's Court supervises the administration of justice by local people's courts at various levels and by the special people's courts. People's courts at higher levels supervise the administration of justice by those at lower levels.

According to the Constitution and the Organic Law of People's Procuratorates of the People's Republic of China revised by the Standing Committee of the National People's Congress on October 26, 2018 and effective January 1, 2019, people's procuratorates are state organs for legal supervision. The Supreme People's Procuratorate is the highest procuratorial organ. The Supreme People's Procuratorate directs the work of people's procuratorates at various local levels and of the special people's procuratorates. People's procuratorates at higher levels direct the work of those at lower levels.

People's courts shall, in hearing civil cases, implement the system whereby the second instance is final according to the law. The judgments and rulings of people's courts of second instance shall be final. A party may appeal against a first-instance judgment or ruling issued by a local people's court. The People's Procuratorate may file an appeal with the higher-level People's Court in accordance with the procedures prescribed by law. If the parties concerned have not filed any appeals and the People's Procuratorate has not filed any protest within the stipulated period of time, the judgment or ruling of the people's court shall be final. Judgments and rulings in cases of second instance tried by intermediate people's courts, higher people's courts and the Supreme People's Court, and the same in cases of first instance tried by the Supreme People's Court, are final. However, if the Supreme People's Court or a higher-level people's court discovers that a final judgment or ruling of a lower-level people's court that has already taken legal effect is indeed erroneous, or if the presiding judge of a people's court at any level believes that such a final judgment or ruling is indeed erroneous, it may be retried through judicial supervision procedures.

The Civil Procedure Law of the People's Republic of China (2023 Revision) adopted by the Standing Committee of the National People's Congress on September 1, 2023 and effective as of January 1, 2024 (the "**Civil Procedure Law**") stipulates the requirements for initiating civil proceedings, the jurisdiction of people's courts, the procedures for civil litigation and the enforcement procedures for civil judgments or orders. All parties to civil proceedings within the territory of China must abide by the Civil Procedure Law. Civil cases shall generally be heard by the court at the domicile of the defendant. The court with jurisdiction over civil litigation may be explicitly agreed upon by the parties, but the court must be located in a place with a real connection to the dispute, such as the domicile of the plaintiff or defendant, the place of contract performance or execution, or the location of the subject matter of the litigation. However, under no circumstances shall the court's choice conflict with the provisions of different jurisdictions and exclusive jurisdictions.

Foreigners, stateless persons, foreign-invested enterprises and organisations filing a lawsuit or making defense in a people's court shall have equal litigation rights and obligations as Chinese citizens, legal persons and other organisations. Where a court of a foreign country imposes restrictions on the civil litigation rights of Chinese citizens and enterprises, people's courts may impose the same restrictions on the citizens and enterprises of that country. Foreigners, stateless persons, foreign-invested enterprises and organisations filing a lawsuit or making defense at a people's court that are required to engage a lawyer to participate in proceedings shall engage a Chinese lawyer. Pursuant to the international treaties signed or acceded to by China or in accordance with the principle of reciprocity, a people's court and a foreign court may request each other to carry out service of documents on behalf, investigation and collection of evidence and any other litigation acts. Where a request by a foreign court for assistance is prejudicial to the sovereignty, security or public interest of China, the people's court shall refuse to enforce.

The parties concerned must perform the civil judgment or ruling which has come into legal effect. If any party to a civil lawsuit refuses to comply with a judgment or ruling issued by a People's Court of the People's Republic of China, or an award issued by an arbitration tribunal, the other party may apply to the People's Court for enforcement within two years. The suspension or interruption of the period for applying for enforcement shall comply with the applicable legal provisions concerning the suspension or interruption of the statute of limitations.

Where a party applies to a People's Court for enforcement of an effective judgment or ruling rendered by a People's Court against a party not within the territory of China or whose property is not within the territory of China, the party may apply to a foreign court with appropriate jurisdiction for recognition and enforcement of such judgment or ruling. If an international treaty concluded or acceded to by China with the relevant foreign state provides for the recognition and enforcement of foreign judgments or awards, or if such judgments or awards meet the requirements of a court's examination based on the principle of reciprocity, the People's Court may also recognize and enforce them in accordance with China's enforcement procedures. However, this shall not apply where the People's Court determines that the recognition or enforcement of such judgments or awards would result in a violation of China's fundamental legal principles, sovereignty, or security, or where considerations of public interest so require.

THE COMPANY LAW OF THE PEOPLE'S REPUBLIC OF CHINA, TRIAL MEASURES FOR OVERSEAS LISTING AND GUIDANCE ON ARTICLES OF ASSOCIATION

The Company Law of the People's Republic of China (the "**Company Law**"), adopted by the Standing Committee of the National People's Congress on December 29, 1993, was last amended on December 29, 2023, and took effect on July 1, 2024. It regulates companies and protects the lawful rights and interests of companies, shareholders, and creditors.

Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "**Trial Measures for Overseas Listing**") and six interpretative guidelines, which were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023, are applicable to direct and indirect offshore share offering and listing of domestic companies.

The Trial Measures for Overseas Listing and its interpretative guidelines, a domestic company that directly issue shares for listing overseas shall formulate its articles of association in accordance with the Guidance on Articles of Association of Listed Companies (the "**Guidance on Articles of Association**"), which shall replace the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, which were no longer applicable as of March 31, 2023. The Guidance on Articles of Association were promulgated by the CSRC on December 16, 1997, and last amended on March 28, 2025.

The following is a summary of the main clauses of the Company Law, the Trial Measures for Overseas Listing and the Guidance on Articles of Association that are applicable to the Company.

General Provisions

A company limited by shares is a corporate legal person incorporated in China in accordance with the Company Law. It possesses independent corporate property and enjoys property rights as a legal person. The company bears responsibility for its debts with all its assets. Shareholders of a company limited by shares shall be liable to the company only to the extent of their subscribed shares.

When engaging in business activities, a company shall comply with laws and regulations, observe social morality and business ethics, act in good faith and accept supervision of the government and the public.

Establishment

A company may be established by way of promotion or share float. To establish a company limited by shares, there shall be not less than one but not more than 200 promoters, and half or more of the promoters shall have a domicile within the territory of Chinese Mainland. Where a company is established by way of promotion, it means the company is formed when promoters subscribe to all the shares to be issued upon its establishment. Where a company is established by way of share float, the shares subscribed for by the promoters shall not be less than 35% of the total shares to be issued at the time of establishment as stipulated by the articles of association of the company, unless otherwise specified.

The registered capital of a company limited by shares is the total amount of share capital of the issued shares registered with the company registration authority. Shares shall not be offered to others until the shares subscribed by the promoters have been fully paid up. The promoters shall pay in full the subscription price for their shares prior to the incorporation of the company.

Where a company limited by shares is established by way of share float, the promoters shall convene an incorporation meeting within 30 days from the date on which the shares to be issued at the time of establishment of the company are fully paid up. The promoters shall give notice to all subscribers 15 days in advance of the date of the incorporation meeting or make an announcement. The quorum of the incorporation meeting shall be subscribers holding more than half of the voting rights. Matters to be addressed at the incorporation meeting include the adoption of the draft articles of association submitted by the promoters and the election of members to the company's board of directors and board of supervisors. Resolutions adopted at the incorporation meeting must be approved by a majority of the voting rights held by the subscribers present at the meeting.

Where a company limited by shares is established by way of promotion, the convening and voting procedures of the incorporation meeting shall be stipulated by the articles of association of the company or the promoters' agreement.

The board of directors shall authorise a representative to apply to the company registration authorities for incorporation and registration within 30 days from conclusion of the incorporation meeting. Upon approval by the relevant registration authority and issuance of a business license, the company is formally established and acquires legal person status.

Registered Shares

Pursuant to the Company Law, shareholders may make capital contributions in the form of currency, physical objects, intellectual property rights, land use rights, equities, creditor's rights and other non-currency properties that can be valuated in currency and transferred pursuant to the law, with the exception of properties prohibited by laws and administrative regulations to be used as capital contributions.

Pursuant to the provisions of the Trial Measures for Overseas Listing, Chinese domestic enterprises listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Pursuant to the Trial Measures for Overseas Listing, when a Chinese domestic company directly issues shares for listing overseas, shareholders holding its domestic unlisted shares who apply to convert such shares into shares listed for trading on an overseas exchange shall comply with relevant regulations promulgated by the CSRC and authorize the Chinese domestic company to file the relevant documentation with the CSRC on their behalf. The domestic unlisted shares mentioned in the previous paragraph refer to the shares issued by enterprises within China but not yet listed or traded on domestic stock exchanges. Domestic unlisted shares shall be registered and deposited with securities registration and clearing institutions in China. The registration and settlement arrangements for overseas-listed stocks must comply with the regulations of the overseas listing jurisdiction.

Pursuant to the Company Law, where a company issues registered shares, it shall maintain a shareholder register containing the following information: (i) the name and address of the shareholders; (ii) the type and number of shares subscribed for by each shareholder; (iii) where paper share certificates are issued, the serial numbers of the share certificates; (iv) the date on which each shareholder acquired his shares.

Allotment and Issuance of Shares

The issuance of all shares of a company limited by shares shall comply with the principle of fairness and impartiality. Shares of the same class shall have the same rights and benefits. Shares of the same class issued at the same time shall be issued on the same terms and at the same price. Subscribers shall pay the same price for each share subscribed for.

Domestic enterprises intending to issue shares overseas shall file with the CSRC pursuant to the provisions of the Trial Measures for Overseas Listing, submit filing reports, legal opinions and provide truthful, accurate and complete information pertaining to shareholders, etc. Where domestic enterprises directly issue and list shares overseas, the issuers shall file with the CSRC for record. In case of the indirect Overseas Issuance and Listing of domestic enterprises, the issuer shall designate a major domestic operating entity as the domestic responsible person to file with the CSRC for record.

Increase of Share Capital

Pursuant to the Company Law, when a company limited by shares issues new shares, a shareholders' meeting shall make resolutions on the following matters: (1) type and amount of the new shares, (2) the issue price of the new shares, (3) the commencement and cessation dates of the new share issue, (4) the type and amount of new shares to be issued to existing shareholders, and (5) the amount of proceeds from the new share issue to be included in the registered capital, where shares without par value are to be issued. When a company intends to offer shares to the public, it shall register with the securities regulatory authorities of the State Council and publish its document. Upon full receipt of the proceeds from the company's newly issued shares, the company shall carry out alteration registration with the company registration authority and shall make a public announcement.

The issuer's initial public offering or listing overseas shall be filed with the CSRC within three working days after the issuer submits the listing application documents overseas. Where the issuer issues securities in the same overseas market following the Overseas Issuance and Listing, it shall be filed with the CSRC within three working days upon the completion of the issuance.

Reduction of Share Capital

According to the Company Law, the Company may reduce its registered capital by the following procedures:

(i) Preparing a balance sheet and a list of assets;

(ii) Resolving to reduce the registered capital at the shareholders' meeting of the Company;

(iii) Within 10 days of such resolution being adopted at a shareholders' meeting, the Company shall notify its creditors, and shall make an announcement on a newspaper or the National Enterprise Credit Information Announcement System within 30 days of such resolution being adopted;

(iv) The creditors, within 30 days of receipt of the relevant notice, or within 45 days of the announcement for those who have not received the relevant notice, shall have the right to require the Company to repay its debts in full or to provide corresponding security for such debts;

(v) When the Company reduces its registered capital, it shall reduce the capital contribution or shares accordingly in proportion to the shareholders' capital contribution or shares held by them, and the changes shall be registered with the company registration authorities in accordance with the law.

Repurchase of Shares

Any company shall not acquire its own shares, except in any of the following circumstances:

1. Reduction of the Company's registered capital;

2. Merger of the Company with another company holding shares of the Company;

3. Use of shares for employee stock ownership plans or equity incentives;

4. Shareholders who vote against the merger or division of the Company as adopted by the shareholders' meeting require the Company to purchase the shares held by them;

5. Use of shares to convert convertible corporate bonds issued by the company;

6. It is necessary to maintain the value of the Company and its shareholders' equity.

Any purchase of the Company's shares pursuant to the reasons set forth in Item 1 or 2 above shall be approved by the shareholders' meeting. Any purchase of the Company's shares pursuant to the reasons set forth in Item 3, 5 or 6 above shall be approved by the board meeting with the attendance by no less than two thirds of directors, according to the authorization set forth in the articles of association of the Company or the shareholders' meeting.

If the Company acquires its own shares in accordance with the provisions of the first paragraph of this article under the circumstance set forth in Item 1 above, those shares shall be cancelled within ten days from the date of acquisition. If the Company acquires its own shares in accordance with the above provisions under the circumstances set forth in Item 2 or 4 above, the shares shall be transferred or cancelled within six months from the date of acquisition. If the Company acquires its own shares in accordance with the above provisions under any of the circumstances set forth in Item 3, 5 or 6 above, the Company's shares held by the Company in total shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within three years from the date of acquisition.

Transfer of Shares

Shares held by shareholders may be transferred in accordance with the relevant laws and regulations. Share transfers by shareholders shall be conducted through a legally established securities exchange or other methods prescribed by the State Council. The transfer of registered shares by shareholders must be effected by endorsement or by any other method prescribed by laws or administrative regulations. The transfer of bearer shares requires the delivery of the share certificate to the transferee.

Pursuant to the Company Law, shares issued by a company before the public offering shall not be transferred within one year of the date on which the company's shares are listed and traded on a stock exchange. The directors, supervisors and senior managers of a Company shall declare to the Company the shares they hold and any changes therein. The shares transferred each year during the term of office determined when they take up their posts shall not exceed 25% of the total shares they hold in this Company. The shares held in this Company shall not be transferred within one year of the date on which the Company's shares are listed and traded on a stock exchange. The aforesaid persons shall not transfer the shares they hold in this Company within half a year after they leave their posts.

Where the shares are pledged within the transfer restriction period stipulated by laws or administrative regulations, the pledgee shall not exercise the pledge rights within the transfer restriction period.

Shareholders

The Articles of Association set forth the rights and obligations of its shareholders and are binding on all shareholders. According to the Company Law and the Guidance on Articles of Association, the rights of shareholders include:

(i) to receive dividends and other forms of interest distribution according to the number of shares they held;

(ii) to lawfully request to hold, convene, preside over, attend or appoint proxies to attend shareholders' meetings, and to exercise the corresponding voting rights;

(iii) to supervise the operation of the Company and to make suggestions or inquiries;

(iv) to transfer, donate or pledge the shares held by them in accordance with laws, administrative regulations and the Articles of Association;

(v) to review and reproduce the Articles of Association, register of shareholders, minutes of shareholders' meetings, resolutions of board of directors, and financial accounting reports; shareholders complying with the relevant provisions may review the accounting books and accounting vouchers of the Company;

(vi) to participate in the distribution of the remaining assets of the Company according to the number of shares they held in the Company upon termination or liquidation of the Company;

(vii) to request the Company to repurchase the shares held by any shareholder who raises objection to the merger or division of the Company made by the shareholders' meeting;

(viii) other rights stipulated by laws, administrative regulations, departmental regulations, and the Articles of Association.

Obligations of shareholders include:

(i) to abide by laws, administrative regulations, and the Articles of Association;

(ii) to pay the subscription money according to the number of shares subscribed for and the method of subscription;

(iii) not to withdraw the share capital except as provided under laws and regulations;

(iv) not to abuse the shareholder's rights to damage the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liabilities of the shareholders to damage the interests of the creditors of the Company;

(v) other obligations stipulated by laws, administrative regulations, and the Articles of Association.

Shareholders' Meeting

According to the Company Law, shareholders' meeting of a company limited by shares consists of all shareholders. The shareholders' meeting is the organ of authority of the Company and shall exercise the following functions:

(1) to elect and replace directors and supervisors, and to decide on matters concerning the remuneration of the directors and supervisors;

(2) to review and approve reports of the board of directors;

(3) to review and approve reports of the board of supervisors;

(4) to review and approve profit distribution plans and plans for making up losses of the Company;

(5) to decide on any increase or decrease of the registered capital of the Company;

(6) to decide on the issuance of corporate bonds;

(7) to decide on matters such as the merger, division, dissolution, liquidation, or change of the corporate form of the Company;

(8) to amend the Articles of Association of the Company;

(9) other functions as stipulated by the Articles of Association.

According to the Company Law, an annual Shareholders' meeting shall be convened annually. An extraordinary Shareholders' meeting shall be convened within 2 months if any of the following situations occurs:

(1) The number of directors is less than two thirds of the quorum as prescribed in the Company Law or specified in the Articles of Association;

(2) The Company's losses that have not been made up account for one third of the total share capital;

(3) Upon request by shareholders who individually or together hold 10% or more of the Company's shares;

(4) The board of directors deems necessary to convene the meeting;

(5) The board of supervisors proposes to convene the meeting;

(6) Other situations as specified in the Articles of Association.

The Shareholders' Meeting shall be convened by the Board and presided over by the Chairman. If the chairman of the board of directors is unable or fails to carry out his duties, the vice-chairman shall preside over the shareholders' meeting. If the vice-chairman of the board of directors is unable or fails to carry out his duties, more than half of the directors shall nominate a director to preside over the shareholders' meeting.

If the board of directors is unable or fails to convene the shareholders' meeting, the board of supervisors shall convene and preside over the meeting in a timely manner. If the board of supervisors does not convene and preside over the meeting, the shareholders who individually or together hold more than 10% of the shares for more than 90 consecutive days may convene and preside over the meeting by themselves.

If the shareholders who individually or together hold more than 10% of the shares of the Company request to convene an extraordinary Shareholders' meeting, the board of directors and board of supervisors shall decide whether to convene an extraordinary Shareholders' meeting within 10 days as of the receipt of such request, and reply to the shareholders in writing.

When a shareholders' meeting is to be convened, the date and place of the meeting as well as the matters to be discussed shall be notified to every shareholder 20 days in advance. For an extraordinary Shareholders' meeting, the shareholders shall be notified 15 days in advance.

Shareholders who individually or together hold more than 1% of the shares of the Company may submit interim proposal to the convener in writing 10 days before the holding of the shareholders' meeting. The convener shall issue a supplementary notice for the shareholders' meeting within two days of receiving the proposal and disclose the content of the interim proposal.

According to the Company Law, a shareholder appointing a proxy to attend a shareholders' meeting should clearly specify the matters, authority, and period of agency of that proxy. The proxy shall submit to the Company the power of attorney issued by the shareholder, and shall exercise his voting rights within the scope of authorization. The Company Law does not contain specific provisions regarding the number of shareholders required to constitute a quorum for a shareholders' meeting.

According to the Company Law, each share held by shareholders attending a shareholders' meeting shall carry one voting right, except shareholders holding other classes of shares. Shares held by the Company have no voting rights.

A shareholders' meeting can adopt, in accordance with the provisions of the Articles of Association or resolutions of shareholders' meetings, a cumulative voting system in the election of directors and supervisors. Under cumulative voting system, when a shareholders' meeting elects directors or supervisors, each share shall carry the number of voting rights equivalent to the number of candidates for director or supervisor, and the shareholder can cumulatively use his voting rights.

Pursuant to the Company Law and the Guidance on Articles of Association, a resolution at a shareholders' meeting requires the affirmative vote of more than half of the votes represented by the shareholders present at the shareholders' meeting. Matters concerning the merger, division, or dissolution of the company; the increase or decrease of registered capital; the change of corporate form; or the amendment of the articles of association must be approved by a majority of two-thirds or more of the voting rights held by the shareholders present at the meeting.

Directors

According to the Company Law, a company limited by shares should set up a board of directors, which should consist of more than 3 members. The term of office of the directors is stipulated by the Articles of Association, but shall not exceed 3 years. Directors may be re-elected for consecutive terms.

A company limited by shares may, in accordance with the articles of association of the company, establish an audit committee composed of directors within the board of directors. Such audit committee shall exercise the functions and powers of the board of supervisors as provided herein. It shall not have a board of supervisors or supervisors.

The board of directors will convene at least twice a year. Every meeting should be notified to all directors and supervisors 10 days in advance. The Board of Directors shall exercise the following functions and powers:

(1) to convene shareholders' meeting and report to the shareholders' meeting;

(2) to implement resolutions passed by the shareholders' meeting;

(3) to decide on the business plan and investment plan of the Company;

(4) to formulate profit distribution plan and plan to cover losses of the Company;

(5) to formulate plans on the increase or decrease of the registered capital and issuance of bonds;

(6) to formulate plans on the merger, division, dissolution or change of the form of the Company;

(7) to decide on the establishment of the Company's internal management;

(8) to decide on the appointment or dismissal of the manager of the Company and his remuneration, and, according to the recommendation of the manager, decide on the appointment or dismissal of deputy manager(s) and financial officer of the Company and their remuneration;

(9) to formulate the basic management system of the Company;

(10) other powers stipulated by the Articles of Association or authorized by the shareholders' meeting.

A board meeting shall be held only if more than half of the directors are present. If a director is unable to attend a meeting for any reason, he can entrust another director in writing to attend the meeting on his behalf, and the power of attorney shall state the scope of authorization. If a resolution of the board of directors is in violation of laws, administrative regulations, the Articles of Association or resolutions of the shareholders' meeting, and causes any material loss to the Company, the directors who participated in the adoption of such resolution shall be liable to compensate the Company. If a director can prove that he or she raised an objection to such resolution, and that such objection was recorded in the minutes of the meeting, the director may be exempted from such liability.

In accordance with the Company Law, none of the following persons may serve as a director of the Company:

(1) a person without civil capacity or with restricted civil capacity;

(2) a person who was sentenced to criminal penalties due to corruption, bribery, misappropriation of property or disrupting the economic order of the socialist market, or a person who has been deprived of his or her political rights due to a criminal offence, and not more than five years have elapsed since the completion of the execution of the penalty period, or a suspension of sentence has been granted for such offence, and not more than two years have elapsed since the completion date of the suspension period;

(3) a person who served as a director, factory director, or manager of a company or enterprise which has been bankrupt or liquidated, and who was personally responsible for the bankruptcy of such company or enterprise, and not more than three years have elapsed since the completion date of the bankruptcy or liquidation of such company or enterprise;

(4) a person who served as the legal representative of a company or enterprise, but the business license of this company or enterprise was revoked or the company or enterprise was ordered to close due to the violation of the law, and who was personally responsible, and not more than three years have elapsed since the date of the revocation of the business license or the order;

(5) a person who has been listed as a defaulter by the people's court because he incurred debts of a large amount that have not been settled by the due date.

The Board of Directors shall have one Chairman, elected by a majority of the directors. The chairman shall exercise the following functions and powers (including but not limited to):

(1) to preside over shareholders' meetings and to convene and preside over meetings of the board of directors;

(2) to examine the implementation of resolutions of the board of directors;

(3) to exercise other functions and powers granted by the board of directors.

Senior Management

In accordance with the Company Law, a company shall have a manager, who shall be appointed or dismissed by the board of directors. The manager shall be responsible to the board of directors and shall exercise his functions and powers in accordance with the articles of association of the company or the authorization of the board of directors. The manager shall attend meetings of the board of directors as a non-voting member.

In accordance with the Company Law, senior management shall refer to the manager, deputy manager and chief financial officer, the secretary of the board of directors and any other personnel specified in the articles of association of the company.

Obligations of the Directors and Senior Management

The Company Law requires that directors and senior management of a company shall comply with relevant laws, regulations, and the company's articles of association, and owe a duty of loyalty and diligence to the company. Directors and senior management shall not abuse their authority to accept bribes or other illegal income, nor shall they misappropriate company assets.

Directors and senior management shall not conduct any of the following acts:

(1) embezzling company assets or misappropriating company funds;

(2) depositing company funds in an account opened in their own name or in the name of any other individual;

(3) taking bribery or other illegal income by taking advantage of their powers;

(4) accepting commissions on transactions between the company and the third party and pocketing the same;

(5) disclosing confidential information of the company without authorization;

(6) acting contrary to their duty of loyalty to the company.

Directors and senior management, when directly or indirectly entering into contracts or transactions with the company, shall report to the board of directors or shareholders' meeting on matters relating to the contracts or transactions, and such matters shall be resolved by the board of directors or shareholders' meeting in accordance with the articles of association of the company.

Where a close relative of a director or senior management, an enterprise directly or indirectly controlled by a director, supervisor or senior management or any of his close relatives, or an affiliated party having any other relationship with a director, supervisor or senior officer, concludes a contract or engages in a transaction with the company, the provisions of the preceding paragraph shall apply.

Directors and senior management shall not take advantage of their powers to seek business opportunities that belong to the company for themselves or any other persons, except in any of the following circumstances:

(1) Report has been made to the board of directors or shareholders' meeting and it has been approved by the board of directors or shareholders' meeting in accordance with the articles of association of the company;

(2) The company is unable to make use of such business opportunities in accordance with the provisions of laws, administrative regulations or the articles of association of the company.

Directors and senior management shall not engage in similar business for themselves or for any other person as that of the company without making a report to the board of directors or shareholders' meeting and obtaining approval from the board of directors or shareholders' meeting in accordance with the articles of association of the company.

Directors and senior management shall be liable for compensation if they violate laws, administrative regulations or the articles of association of the company in performing their powers and duties, thereby causing losses to the company.

Financial and Accounting Systems

According to the Company Law, the company shall, in accordance with the provisions of laws, administrative regulations and rules of the financial department under the State Council, establish their financial and accounting systems. The company shall, at the end of each fiscal year, prepare a financial and accounting report, which shall be audited by an accounting firm. The financial and accounting report shall be prepared in accordance with the provisions of laws, administrative regulations and rules of the financial department under the State Council.

The financial and accounting report of a company limited by shares shall be available for inspection by shareholders at least 20 days prior to the annual shareholders' meeting. A company limited by shares publicly offering shares shall publish its financial and accounting report.

When a company distributes its after-tax profits of the current year, it shall allocate 10% of its profits as its statutory reserve fund. No further allocation is required if the aggregate amount of the statutory reserve fund exceeds 50% of the registered capital of the company. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous year, the current year profits shall be used to make up for the losses before any allocation is made to the statutory reserve fund in accordance with the aforesaid provisions. After a company has allocated the statutory reserve fund from its after-tax profits, it may, upon a resolution made by the shareholders' meeting, allocate a discretionary reserve fund from its after-tax profits.

A company limited by shares shall distribute profits in proportion to the shares held by its shareholders, unless its articles of association stipulate that the distribution shall not be made in accordance with the proportion of shares held.

The premium income from issuing shares of a company limited by shares at a price above the par value of the shares, the proceeds from issuing shares without par value which has not been included in the registered capital, and other gains which are required to be allocated to the capital reserve by the financial department under the State Council shall be allocated to the capital reserve of the company.

The reserve fund of the company shall be used to make up for the losses of the company, expand the business and production of the company or increase the capital of the company. When the reserve fund is used to make up for the losses of the company, the discretionary reserve fund and statutory reserve fund shall be used first; where the said losses cannot be made up, the capital reserve may be used according to the relevant provisions. Where the statutory reserve fund is converted to increase the registered capital of the company, the remainder of the statutory reserve fund shall not be less than 25% of the registered capital of the company before the conversion is conducted.

The company shall not establish separate accounting books other than the statutory ones.

Appointment and Dismissal of Accounting Firms

According to the Company Law, the appointment or dismissal of accounting firms undertaking audit of a company shall be decided by the shareholders' meeting, the board of directors or the board of supervisors according to the articles of association of the company. When the shareholders' meeting, the board of directors or the board of supervisors conducts voting on the dismissal of the accounting firms, the accounting firms shall be allowed to express their opinions. The company shall provide to the accounting firm appointed truthful and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials, and shall not refuse to provide, hide or falsely report such materials.

According to the Guidance on Articles of Association, the company guarantees to provide to the accounting firm appointed true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials, and shall not refuse to provide, hide or falsely report such materials. The audit fee by the accounting firm shall be decided by the shareholders' meeting.

Profit Distribution

If a company distributes profits to its shareholders in violation of the Company Law, the shareholders concerned shall return such distributed profits to the company. If any loss is caused to the company, the shareholders and the responsible directors, supervisors and senior management shall undertake liability for compensation.

Dissolution and Liquidation

According to the Company Law, a company may be dissolved if:

(1) the business term as specified in the articles of association expires or any other dissolution event occurs as specified in the articles of association;

(2) the shareholders' meeting resolves to dissolve the company;

(3) the company is required to be dissolved due to merger or division of the company;

(4) the business license of the company is revoked, or the company is ordered to be closed or cancelled in accordance with law;

(5) there is a serious difficulty in the operation and management of the company, the interest of the shareholders will suffer heavy loss as a result of the continuation of the operation, which cannot be resolved by any other means, shareholders holding ten percent or more of the voting rights of all the shareholders may petition a people's court to dissolve the company.

If any of the aforementioned events of dissolution occurs, the Company shall announce such event to the public within ten days through the National Enterprise Credit Information Publicity System.

A company dissolved pursuant to item (1) above that has not distributed any assets to shareholders may continue to exist by amending its articles of association, or by adopting a resolution at a shareholders' meeting, which shall require the affirmative votes of more than two-thirds of the voting rights held by the shareholders present at the meeting. A company dissolved pursuant to item (1), (2), (4) or (5) above shall undergo liquidation. The directors shall be the liquidation obligors of the Company, and shall form a liquidation committee to liquidate the Company within 15 days of occurrence of any event leading to dissolution. The liquidation committee shall be composed of the directors, except as otherwise provided in the articles of association or as otherwise elected by the resolution of the shareholders' meeting. Where the liquidation obligors fail to perform their liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, they shall be liable for compensation.

Where the liquidation committee fails to be established within the time limit or fails to conduct liquidation after its establishment, interested parties may apply to the people's court for appointing relevant personnel to form a liquidation committee and conduct liquidation. The people's court shall accept such application, and form a liquidation committee in a timely manner to conduct liquidation.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

(1) to liquidate the Company's assets, and prepare a balance sheet and a schedule of assets, respectively;

(2) to notify creditors by notice or announcement;

(3) to handle and liquidate relevant unfinished business of the Company;

(4) to pay all outstanding taxes in full as well as taxes arising during the liquidation period;

(5) to clear the claims and debts;

(6) to distribute the Company's remaining assets after paying off all debts;

(7) to participate in civil litigation activities on behalf of the Company.

The liquidation committee shall, within 10 days of its establishment, notify the Company's creditors, and make an announcement on the newspapers or the National Enterprise Credit Information Publicity System within 60 days. The creditors shall, within 30 days of receipt of the notice, or within 45 days of the announcement if the creditors have not received such notice, declare their claims to the liquidation committee.

After paying off the liquidation expenses, employees' wages, social insurance premiums, statutory compensation, outstanding taxes and company debts, the remaining assets of the Company shall be distributed in proportion to the shareholdings of the shareholders.

During the liquidation period, the Company shall continue to exist, but shall not carry out any business activities unrelated to the liquidation. The Company's assets shall not be distributed to shareholders unless and until the aforesaid assets have been repaid.

Upon the liquidation of the Company's assets and preparation of the balance sheet and schedule of assets, if the liquidation committee discovers that the Company's assets are insufficient to repay its debts, it shall apply to the people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator appointed by the people's court.

Upon the completion of the liquidation, the liquidation committee shall prepare a liquidation report, and submit it to the shareholders' meeting or the people's court for ratification, and submit it to the company registration authority for de-registration.

The liquidation committee members shall perform their duties faithfully and diligently. If any member of the liquidation committee fails to perform his duties, he shall be liable for compensation for losses suffered by the Company as a result thereof, or shall be liable for compensation for losses suffered by creditors due to intentional acts or gross negligence.

Where a company has had its business license revoked, been ordered to close, or been dissolved, and has failed to apply to the company registration authority for de-registration within three years, the company registration authority may publish an announcement through the National Enterprise Credit Information Publicity System. The announcement period shall be no less than sixty days. If there is no objection upon the expiration of the announcement period, the company registration authority may cancel the registration of the Company.

OVERSEAS LISTING

Pursuant to the Trial Measures for Overseas Listing, issuers conducting an initial public offering or listing overseas, or issuing or listing in different overseas markets after an overseas issuance or listing, shall file with the CSRC within 3 working days after submitting the application documents for the overseas issuance or listing. Where the issuer issues securities in the same overseas market following the Overseas Issuance and Listing, it shall be filed with the CSRC within three working days upon the completion of the issuance. If the filing materials are complete and compliant, the CSRC shall, within 20 working days upon receipt of the materials, complete the filing process and publicize the filing information on its website. If the filing materials are incomplete or non-compliant, the CSRC shall, within 5 working days upon receipt of the materials, notify the issuer of the supplementary materials to be submitted. The issuer shall, within 30 working days, submit the supplementary materials.

LOSS OF SHARE CERTIFICATES

If the registered share certificate held by a shareholder is stolen, lost or destroyed, the shareholder may request the people's court to declare the share certificate invalid in accordance with the public notice procedure as stipulated in the Civil Procedure Law. After the people's court has declared the share certificate invalid, the shareholder may apply to the company for a replacement of the share certificate.

SUSPENSION AND TERMINATION OF LISTING

The Company Law has had the provisions regarding suspension and termination of listing removed. The Securities Law of the People's Republic of China (2019 Revision) has had the provisions regarding suspension of listing removed. If the listed securities are subject to the delisting circumstance as stipulated by the stock exchange, the stock exchange shall terminate the listing and trading of such securities in accordance with it listing rules.

According to the Trial Measures for Overseas Listing, if an issuer terminates its listing voluntarily or compulsorily, it shall report the detailed information to the CSRC within 3 working days upon the occurrence and the public announcement of the relevant event.

ARBITRATION AND ENFORCEMENT OF ARBITRATION AWARDS

According to the Arbitration Law of the People's Republic of China (the "**Arbitration Law**") formulated by the Standing Committee of the National People's Congress on August 31, 1994, last amended on September 1, 2017 and effective as of January 1, 2018, the Arbitration Law applies to foreign economic disputes where the parties have entered into a written agreement to submit the matter to arbitration before an arbitration commission constituted in accordance with the Arbitration Law. Pursuant to the Arbitration Law, before the China Arbitration Association formulates its arbitration rules, the Arbitration Commission may formulate provisional rules for arbitration in accordance with the relevant provisions of the Arbitration Law and the Civil Procedure Law. If the parties choose to resolve disputes through arbitration, and one party files a lawsuit with the court, the court will not accept it, except where the arbitration agreement is invalid.

According to the Arbitration Law and the Civil Procedure Law, the arbitration award shall be final and binding on the parties to the arbitration. If one of the parties fails to comply with the award, the other party to the award may apply to the People's Court to enforce the arbitral decision. If an arbitration award rendered by an arbitration commission is verified by a collegiate panel of the people's court to contain procedural irregularities (including but not limited to violations of statutory procedures in the composition of the arbitral tribunal or the arbitration process, lack of jurisdiction by the arbitration commission, or matters adjudicated falling outside the scope of the arbitration agreement), the people's court may rule that the arbitration award rendered by the arbitration commission shall not be enforced.

Where one party seeks to enforce an arbitral award of a foreign-related arbitration commission against the other party, and the person against whom the award is to be enforced or whose property is not located in the territory of China, the party shall apply directly to a foreign court of competent jurisdiction for recognition and enforcement. Similarly, arbitral awards made by foreign arbitral institutions may also be recognized and enforced by Chinese courts in accordance with the principle of reciprocity or any international treaty signed or acceded to by China.

JUDICIAL DECISION AND ENFORCEMENT

Pursuant to the Arrangement of the Supreme People's Court on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (the "**Arrangement**"), promulgated by the Supreme People's Court on January 25, 2024, and effective as of January 29, 2024, the Arrangement applies to the mutual recognition and enforcement of legally effective civil and commercial judgments between Hong Kong courts and Chinese courts. The judgment content subject to mutual recognition and enforcement includes monetary and non-monetary awards. The scope of property payments mutually recognized and enforced by courts in the Mainland and the Hong Kong Special Administrative Region includes property payments determined by judgments along with corresponding interest, litigation costs, late payment penalties, and late payment interest, but excludes taxes and fines.