This section sets out a summary of the most significant aspects of laws and regulations in the PRC which are material to our business operations, but it does not include a detailed analysis of PRC laws related to our business activities and operations in the PRC, or serve as all PRC laws applicable to our operations in the PRC.

REGULATIONS ON FOREIGN INVESTMENT

On January 1, 2020, the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (hereinafter referred to as "Foreign Investment Law") promulgated by the National People's Congress of the PRC (中華人民共和國全國人民代表大會) (the "NPC") on March 15, 2019 came into effect. Since then, the Foreign Investment Law has become the basic law regulating foreign-invested enterprises wholly or partly funded by foreign investors. The organization form and structure and operating rules of foreign-invested enterprises are subject to the provisions of the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "Company Law" or "PRC Company Law"), and other applicable laws. China has implemented a management system of pre-establishment national treatment plus a negative list for foreign investment and replaced the previous system of approval and filing for the establishment and change of foreign-invested enterprises. China provides national treatment to foreign investment beyond the negative list. The Foreign Investment Law, while strengthening the promotion and protection of investment, further standardizes the management of foreign investment and proposes the establishment of foreign investment information reporting system, which replaces the approval and filing system for foreign investment enterprises by the Ministry of Commerce of the People's Republic of China (中華人民共和國商務部) (the "MOFCOM"). Foreign investment information reporting is subject to the Measures for Foreign Investment Information Reporting (《外商投資信息報告辦法》) jointly formulated by the MOFCOM and the SAMR and coming into effect on January 1, 2020. According to the Measures for Foreign Investment Information Reporting, foreign investors who directly or indirectly invest in China shall submit the investment information to competent departments for commerce through the enterprise registration system and the national enterprise credit information publicity system.

On September 6, 2024, the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) (the "NDRC") promulgated the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "2024 Negative List"), which has come into effect on November 1, 2024. Pursuant to the 2024 Negative List, our business is not listed in industries where foreign investment is prohibited or restricted. Domestic industrial development mainly follows the relevant industrial structure guidelines proposed by the NDRC.

Regulations on Value-Added Telecommunications Services

The Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) provides a regulatory framework for telecommunications service providers in the PRC. Pursuant to this regulation, telecommunications service is divided into basic telecommunications service and value-added telecommunications service, and telecommunications service providers need to obtain operating licenses before starting operations. According to the Classification Catalog of Telecommunications Business (2015 version) (《電信業務分類目錄(2015年版)》), which was amended on June 6, 2019, the internet information services we provide are classified as value-added telecommunications services.

The Administrative Measures on Internet Information Services (2024 Revision) (《互聯網信息服務管理辦法(2024修訂)》) classified internet information services into commercial internet information services and non-commercial internet information services, and a commercial internet information services provider must obtain a value-added telecommunications business operation license from the competent telecommunications authorities. According to this regulation, internet information service operators are obliged to monitor their websites. The PRC government may order the holders of the Value-added Telecommunications Business License (《增值電信業務經營許可證》) for internet information service that violates content restrictions to correct such violations and revoke their licenses.

On February 6, 2016, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (2016 Revision) (《外商投資電信企業管理規定(2016修訂)》), which provided that value-added telecommunications enterprises in the PRC with foreign investment must establish Sino-foreign joint ventures and the equity interest acquired by the foreign investors shall not exceed 50% of the shares of the enterprise. On March 29, 2022, the State Council issued the Decision to Amend and Abolish Certain Administrative Regulations (《國務院關於修改和廢止部分行政法規的決定》), which amended the above regulation. Pursuant to the amended regulation which took effect on May 1, 2022, the qualification requirements for major foreign investors to possess prior experience in, and a proven track record of good performance of, operating value-added telecommunication business set out in the original regulation was removed.

REGULATIONS ON ONLINE RIDE-HAILING SERVICES

On July 26, 2016, the Guiding Opinions of the General Office of the State Council on Deepening Reform and Promoting the Sound Development of the Taxi Industry (《國務院辦公廳關於深化改革推進出租汽車行業健康發展的指導意見》) was promulgated and implemented by the General Office of the State Council (國務院辦公廳), and on July 27, 2016, Ministry of Transport (中華人民共和國交通運輸部) issued the Notice on the Implementation of Guiding Opinions of the General Office of the State Council on Deepening Reform and Promoting the Sound Development of the Taxi Industry (《關於貫徹落實<國務院辦公廳關於深化改革推進出租汽車行業健康發展的指導意見>的通知》). The above provisions are of great significance for guiding local governments to promote the reform of the taxi industry, improve the level of transportation services, standardize the development of online ride hailing in accordance with the law, and promote the sustained and sound development of the taxi industry.

Pursuant to Interim Measures for the Management of Online Ride-hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), which was promulgated on July 26, 2016, and amended on December 28, 2019, and November 30, 2022, the "online ride hailing platform companies" (網約車平台公司) refers to enterprise legal persons that construct network service platforms and engage in online ride hailing business operations and services. Any operator applying for engaging in online ride hailing business operations must be capable of providing online and offline services and meet the following conditions: (i) the operator has the enterprise legal person status; (ii) the operator has the internet platform for engaging in online ride hailing business operations and the capabilities of information data interaction and processing adapting to business to be launched, meets the conditions where the relevant regulatory departments of transport, communication, public security, taxation, and cyberspace administration can legally take and consult the relevant network data and information, has the network service platform database that is connected to the supervisory platform of the competent administrative department of taxis, with the server set in the Chinese Mainland, and has the network security management system and technical measures for security protection complying with the prescribed provisions; (iii) where the operator uses electronic payment, it must conclude an agreement on providing payment and settlement services with a bank or a non-bank payment institution; (iv) the operator has sound business operation management system, work safety management system, and service quality guarantee system; and (v) the operator has corresponding service agencies and service capabilities at the place of services. Where a foreign merchant invests in online ride hailing business operations, besides meeting the aforesaid conditions, it must also comply with the provisions of the relevant laws and regulations on foreign investment.

When a company engages in the provision of online ride hailing services for the first time, it shall file an application to the relevant taxi administrative authority where the entity is registered. The application materials related to online service capabilities will be reviewed and approved by the provincial transportation authority where the corporate entity is registered, in collaboration with the corresponding departments of communications, public security, taxation, cyber administration and the Bank of China. Upon approval, the company will obtain an online service capability certification (the "Service Capability Recognition"), which is valid nationwide. For a company seeking to operate the online ride hailing service outside of its place of registration, it shall present the Service Capability Recognition to the competent taxi administrative authority for review. Additionally, the authority will review other application materials pertaining to the company's offline service provision capabilities.

According to the Interim Measures for the Management of Online Ride-hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), an online ride hailing platform company may not engage in the relevant business until it obtains the corresponding Platform Permit and applies for the internet information service recordation to the competent department of communication at the provincial level at its place of registry. An online ride hailing platform company engaging in online ride hailing business operations directly or in any disguised form without the Platform Permit will be fined not less than RMB10,000 but not more than RMB30,000. Where the vehicle engaging in services fails to obtain an Online Ride-hailing Transport Permit (《網絡預約出租汽車運輸證》) or the driver providing services does not obtain the Online Ride-hailing Driver's License (《網絡預約出租汽車駕駛員證》), the competent administrative department will order the online ride hailing platform company to make corrections and impose a fine of not less than RMB5,000 but not more than RMB10,000 for each illegal act. If the circumstances are severe, the online ride hailing platform company will be imposed a fine of not less than RMB10,000 but not more than RMB30,000. Where an online ride hailing platform company no longer has the online and offline service capabilities or commits serious breach, the competent administrative department will, in accordance with the provisions of the relevant laws and regulations, order it to cease business operations for rectification and revoke its corresponding license. However, what constitutes "serious breach" is not specified under the interim measures.

According to the Measures for the Administration of the Operation of Regulatory Information Interactive Platforms for Online Ride-hailing (《網絡預約出租汽車監管信息交互平台運行管理辦法》), which was promulgated on May 24, 2022, and implemented from July 1, 2022, after obtaining a corresponding Online Ride-hailing Business Permit (《網絡預約出租汽車經營許可證》), an online ride hailing platform company must transmit the basic static data including online ride hailing platform company, vehicle, and driver as well as the dynamic data including order information, business information, location information, and service quality information to the industrial platform in time.

Pursuant to the Interim Measures for the Management of Online Ride-hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), competent taxi administrative departments shall strengthen the market supervision on online ride hailing operation and strengthen the qualification review and permission issuance and management in relation to online ride hailing platform, drivers and vehicles. Local governments are authorized to promulgate implementation rules for the issuance of the Online Ride-hailing Transport Permit, thereby controlling the number of vehicles engaging online ride hailing services.

REGULATIONS RELATING TO AUTONOMOUS DRIVING VEHICLES

On December 20, 2020, the Ministry of Transport (中華人民共和國交通運輸部) issued the Guiding Opinions on Promoting the Development and Application of Road Transport Autonomous Driving Technologies (《交通運輸部關於促進道路交通自動駕駛技術發展和應用的指導意見》), which established a comprehensive roadmap for the advancement of autonomous driving technologies. It emphasized that by 2025, substantial progress should be made in the basic theoretical research of autonomous driving, with breakthroughs in the development, testing, and verification of key technologies and products, such as intelligent road infrastructure and vehicle-road coordination systems. A series of fundamental and crucial standards in the field of autonomous driving should be introduced. Moreover, a number of national-level autonomous driving testing bases and leading application demonstration projects should be established. Additionally, large-scale applications in specific scenarios should be realized to promote the industrialization and implementation of autonomous driving technologies.

As one of the most significant standards providing preliminary regulatory frameworks for road testing and demonstration applications of intelligent connected vehicles, the Norms on Administration of Road Testing and Demonstrative Application of Autonomous Driving Vehicles (for Trial Implementation) (《智能網聯汽車道路測試與示範應用管理規範(試行)》) (the "Road Testing and Demonstrative Application Norms") were jointly promulgated by the Ministry of Industry and Information Technology (中華人民共和國工業和信息化部), the Ministry of Public Security (中華人民共和國公安部), and the Ministry of Transport (中華人民共和國交通運輸部) on July 27, 2021, and effective on September 1, 2021. According to the Road Testing and Demonstrative Application Norms, road testing refers to activities conducted to evaluate the self-driving functions of autonomous vehicles on designated sections of highways (including expressways), urban roads, regional roads, and other public motor vehicle routes. Demonstrative application, on the other hand, is defined as the operation of autonomous vehicles to transport passengers or cargo on designated sections of highways (including expressways), urban roads, regional roads, and other public motor vehicle routes, aiming to achieve pilot or trial implementation results. Entities seeking to conduct road testing or demonstrative applications of autonomous vehicles must submit applications to the competent authorities responsible for industry and information technology, public security, and transport.

In November 2023, the Ministry of Industry and Information Technology (中華人民共和國工業和信息化部), the Ministry of Public Security (中華人民共和國公安部), the Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部) and the Ministry of Transport (中華人民共和國交通運輸部) jointly issued the Notice of Implementing the Pilot Program of Access and On-road Traffic of Intelligent Connected Vehicles (《工業和信息化部、公安部、住房和城鄉建設部、交通運輸部關於開展智能網聯汽車准入和上路通行試點工作的通知》), marking a significant step forward in the regulation of L3-L4 autonomous driving. In accordance with this notice, by leveraging the groundwork laid by previous road tests and demonstration applications of intelligent connected vehicles, the regulatory authorities will select and screen intelligent connected vehicle products equipped with L3 or L4 autonomous driving capabilities that meet the mass — production conditions to carry out access pilot programs. For intelligent connected vehicle products that have obtained access approval, pilot road tests will be conducted within designated areas. As required by this notice, the pilot entities for trial use engaged in transportation operations shall possess corresponding operational qualifications for the relevant business categories and comply with certain detailed requirements.

Certain local governments have issued implementation rules to further facilitate the testing and application of autonomous driving vehicles. For example, in Suzhou, the Implementation Rules for the Administration of Road Testing and Demonstration Applications of Intelligent and Connected Vehicles in Suzhou (for Trial Implementation) (《蘇州市智能網聯汽車道路測試與示範應用管理實施細則(試行)》), issued on June 30, 2022, provides more detailed and specific regulations regarding the requirements for conducting road testing and demonstration applications of intelligent and connected vehicles within the administrative region of Suzhou. The Regulations on Promoting the Testing and Application of Intelligent Connected Vehicles in Hangzhou (《杭州市智能網聯車輛測試與應用促進條例》), effective from May 1, 2024, allow intelligent connected vehicles with temporary driving license plates or vehicle identification signs to be used for road testing or innovative applications within specified areas, road sections, and time periods.

REGULATIONS ON SMALL AND MINI BUS RENTAL

The Administrative Measures for the Operation Services of Small and Mini Bus Rental (《小微型客車租賃經營服務管理辦法》) (the "**Rental Measures**") was formally promulgated by the MOT on December 20, 2020 and became effective on April 1, 2021. According to the Rental Measures, small and mini bus rental operation services refer to the operational activities where small and mini bus rental operators enter into rental contracts with lessees, deliver small and mini buses with 9 seats or less for their use, and collect rental fees. The operation of small and mini bus rental is subject to filing management. Operators engaged in small and mini bus rental business must complete filing with the competent department at the municipal or county level where their operations are located within 60 days after enterprise registration.

Enterprises engaged in small and mini bus rental business need to obtain enterprise legal person status, have business premises and management personnel suitable for the rental business, have corresponding service institutions and service capabilities in the location of operation, and possess sound operational management systems, service procedures, safety management systems, and emergency rescue plans. Small and mini buses put into operation must pass inspection and have their usage nature registered as rental.

According to the Rental Measures, if a small and mini bus rental operator fails to complete filing or amend filing as required, or the rental small and mini buses provided do not meet the roadworthiness conditions stipulated in the Road Traffic Safety Law of the People's Republic of China (《中華人民共和國道路交通安全法》), or the operator fails to establish a small and mini bus rental operation management archive or fails to submit relevant data and information as required, and/or fails to clearly display service items, rental procedures, types of rental vehicles, charging standards, deposit collection and refund, customer service and supervision telephone numbers, etc., in a prominent manner at the business premises or on the service platform, the competent administrative department for small and mini bus rental shall order it to make corrections and impose a fine of not less than RMB5,000 but not more than RMB30,000. If a small and mini bus rental operator provides driving services along with the vehicle without obtaining a road transport operation permit or a taxi operation permit, penalties will be imposed in accordance with the regulations on illegal operations stipulated in the Regulations of the People's Republic of China on Road Transport (《中華人民共和國道路運輸條例》), the Regulations on the Administration of Operation Services for Cruising Taxis (《巡遊出租汽車經營服務管理規定》), and the Interim Measures for the Management of Online Ride-hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》).

REGULATIONS ON HOUSE LEASING

Pursuant to the Administration of Urban Real Estate Law of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by the Standing Committee of the National People's Congress of the PRC (中華人民共和國全國人民代表大會常務委員會) (the "SCNPC") on July 5, 1994, and most recently amended on August 26, 2019, a written lease contract must be entered into between the lessor and the lessee for leasing a property, and the contract must include the terms and conditions such as the term, purpose and price of leasing and liability for maintenance and repair, etc., as well as other rights and obligations of both parties. In March 1999, the NPC passed the PRC Contract Law (《中華人民共和國合同法》), of which Chapter 13 governs lease contracts. On May 28, 2020, the Third Session of the 13th NPC passed the Civil Code of the PRC (《中華人民共和國民法典》) which took effect on January 1, 2021, and replaced the PRC Contract Law. According to the Civil Code of the PRC, subject to the consent of the lessor, the lessee may sublease the leased item to a third party. Where the lessee subleases the leased item, the leasing contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the contract if the lessee subleases the leased item without the consent of the lessor. Pursuant to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) which was issued by the MOHURD on December 1, 2010, and took effect on February 1, 2011, the lessor and the lessee must register and file with the local property administration authority within thirty days after entering the lease contract and make further registration for changes of such lease (if any). Enterprise's non-compliance with such registration and filing requirements will be subject to fines from RMB1,000 to RMB10,000 if they fail to rectify within required time limits. In addition, the housing and urban-rural development department of government of provinces, autonomous regions and centrally administered municipalities may formulate implementation regulations based on these measures.

REGULATIONS ON INTERNET INFORMATION SECURITY AND PRIVACY PROTECTION

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law (《中華人民共和國網絡安全法》), effective as of June 1, 2017, which applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. The Cybersecurity Law defines "network" as a system comprising computers or other information terminals and relevant facilities used for the purpose of collecting, storing, transmitting, exchanging and processing information in accordance with specific rules and procedures. No individual or organization may engage in activities that threaten cybersecurity such as unlawful intrusion into others' networks, interfering with the normal functions of others' network and stealing network data, provide programs or tools for such intrusions, interference or stealing, or provide any assistance such as technical support, advertisement, payment or settlement for any other person if the individual or organization is fully aware that such person engages in an activity endangering cybersecurity.

On June 10, 2021, the SCNPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》) (the "PRC Data Security Law"), which took effect in September 2021. The PRC Data Security Law introduces a data classification and hierarchical protection system based on the materiality of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of persons or entities when such data is tampered with, destroyed, divulged, or illegally acquired or used. It also provides for a security review procedure for the data activities which may affect national security.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "Personal Information Protection Law"), which took effect from 1 November 2021. The Personal Information Protection Law stipulates, among other things, the circumstances under which a personal information processor could process personal information, including: (i) with the consent of individual; (ii) if necessary for the execution or performance of a contract to which the individual is a party, or for the implementation of human resources management in accordance with the labor rules and regulations formulated in accordance with the law and the collective contract concluded in accordance with the law; (iii) if necessary to fulfill statutory duties and statutory obligations; (iv) in order to respond to public health emergencies or protect natural persons' life, health and property safety under emergency circumstances; (v) such information that has been made public is processed within a reasonable scope in accordance with this law; (vi) personal information is processed within a reasonable scope to conduct news reporting, public opinion-based supervision, and other activities in the public interest; or (vii) under any other circumstance as provided by any law or regulation.

On December 28, 2021, the CAC and other twelve PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "Cybersecurity Review Measures"), which has come into effect on 15 February 2022. The Cybersecurity Review Measures provides that critical information infrastructure operators procuring network products or services, and the network platform operators (the "Network Platform Operators") engaging in data processing activities, which affects or may affect national security shall be subject to the cybersecurity review by the Cybersecurity Review Office (網絡安全審查辦公室), the department which is responsible for the implementation of cybersecurity review under the CAC. The Cybersecurity Review Measures also provides that the Network Platform Operators with personal information data of more than one million users that seek for listing in a foreign country are obliged to apply for a cybersecurity review by the Cybersecurity Review Office.

To ascertain whether we are required to initiate a submission for cybersecurity review in connection with the Listing under the Revised Measures for Cybersecurity Review, on August 20, 2025, we made a real-name telephone consultation with the China Cybersecurity Review, Certification and Market Regulation Big Data Center, the authority responsible for accepting applications for cybersecurity review and conducting formality review under the guidance of the

Cybersecurity Review Office of the Cyberspace Administration of China (the "CAC"), and received feedback that the Revised Measures for Cybersecurity Review requires a company to initiate a submission for cybersecurity review if, among other factors, it aims to list abroad, and a proposed listing in Hong Kong is not deemed as listing abroad. Based on the foregoing consultation, our PRC Legal Advisors are of the view that we are not required to initiate a submission for cybersecurity review in connection with the Listing under the Revised Measures for Cybersecurity Review.

On September 24, 2024, the State Council released the Regulations on the Administration of Cyber Data Security, which has come into force on January 1, 2025. The Regulation on Network Data Security Management is not only the first at the administrative regulation level specifically for network data security, but it also serves as a comprehensive implementing regulation for the compliance requirements set out by the Cybersecurity Law, the PRC Data Security Law, and the Personal Information Protection Law. The Regulation on Network Data Security Management introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data, establishes broader contractual requirements for data sharing between data handlers, and introduces a new exemption for regulatory obligations regarding cross-border data transfers.

REGULATIONS ON INTELLECTUAL PROPERTY

Patent

According to the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020 and came into effect on June 1, 2021, and the Implementation Regulations for the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which promulgated by the State Council on December 21, 1992, last amended on December 11, 2023 and came into effect on January 20, 2024, patents are divided into 3 categories, i.e. inventions, utility models and designs. The validity period of patents for inventions is 20 years, while the validity period of patents for utility models is 10 years, and the validity period of patents for designs is 15 years, all starting from the next date of application.

Trademark

The Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated by the SCNPC on August 23, 1982, last amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002, last amended on April 29, 2014 and came into effect on May 1, 2014, stipulate the application, examination and approval, renewal, alternation, transfer, use and invalidation of trademark registration, and protect the trademark rights entitled to trademark registrants. According to the aforesaid laws and regulations, the registration of a trademark shall be valid for ten years from the date of approval. If there is a continued need for the use of the trademark, a renewal shall be made in accordance with requirements within 12 months before the expiry of the trademark registration. If the renewal is not made within the stipulated period, the valid period may be extended for a further period of six months. Each renewal of registration of a trademark shall be valid for ten years from the date of the expiry of the previous trademark registration. A trademark registrant may license others the right to use his/her trademark by entering into a trademark license agreement.

Copyright

According to the Copyright Law of the PRC (《中華人民共和國著作權法》), which was promulgated by the SCNPC on September 7, 1990, last amended on November 11, 2020 and came into effect on June 1, 2021, and the Implementation Rules of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》), which was promulgated by the State Council on August 2, 2002 and last amended on March 1, 2013, works of Chinese citizens, legal persons or unincorporated organizations, i.e. intellectual achievements in the field of literature, art and science that are original and can be expressed in a certain form, whether published or not, are entitled to copyright in accordance with the Copyright Law. Copyright includes a series of personal and property rights such as the right of publication, the right of authorship, the right of modification, the right to protect the integrity of the work and the right of reproduction.

According to the Regulations on the Computer Software Protection (《計算機軟件保護條例》), which was promulgated by the State Council on December 20, 2001, last amended on January 30, 2013 and came into effect on March 1, 2013, and the Measures for the Computer Software Copyright Registration (《計算機軟件著作權登記辦法》), which were promulgated by the National Copyright Administration on February 20, 2002 and last amended on June 18, 2004, the National Copyright Administration shall be the competent governmental authority for the nationwide administration of software copyright registration and the Copyright Protection Center of China is designated as the software registration authority which shall grant registration certificates to the computer software copyrights applicants according to aforesaid Regulations and Measures.

Domain Names

According to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》), which was promulgated by the MIIT on August 24, 2017 and came into effect on November 1, 2017, the establishment of domain name root servers and domain name root server operation institutions, domain name registration management institutions and domain name registration service institutions within the territory of the PRC shall obtain permission from the MIIT or the communications administration department of the province, autonomous region or municipality directly under the central government. The principle of "first come, first served" applies to domain name registration service. The Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》), which was promulgated by the MIIT on November 27, 2017 and came into effect on January 1, 2018, stipulates the obligations of Internet information service providers and other entities to combat terrorism and maintain network security.

REGULATIONS ON EMPLOYMENT, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Employment

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and last amended on December 29, 2018, 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, which was last amended on December 28, 2012 and came into effect on July 1, 2013, and the Implementing Regulations of the Labor Contracts Law of the PRC (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council on September 18, 2008 and came into effect on the same day, labor relationships between employers and employees must be executed in written form. Employers are prohibited from forcing employees to work above certain time limits and employers must pay employees for overtime work in accordance with national regulations. In addition, employee wages must not be lower than local standards on minimum wages and must be paid to employees in a timely manner.

Social Insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the "Social Insurance Law"), promulgated by the SCNPC on October 28, 2010 and last amended on December 29, 2018, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), which was promulgated by the State Council on January 22, 1999, last amended on March 24, 2019 and came into effect on the same day, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

Housing Provident Fund

According to the Regulation on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and last amended on March 24, 2019, enterprises must register at the designated administrative centers and open bank accounts for depositing employees' housing provident fund. Employers and employees are also required to pay and deposit housing provident fund, with an amount no less than 5% of the monthly average salary of the employee in the preceding year in full and on time. In case of overdue payment or underpayment by employers, orders for payment within a specified period will be made by the housing fund management center. Where employers fail to make payment within such period, enforcement by the people's court will be applied. In case of failure to register and open accounts for depositing employees' housing provident fund, the housing fund management center shall order employers to go through the formalities within a specified period, where employers fail to do such formalities within the prescribed time, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed.

REGULATIONS ON FOREIGN EXCHANGE

According to the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated on January 29, 1996 and amended on January 14, 1997 and August 5, 2008, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE or its designated banks is obtained.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated on June 9, 2016, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign exchange capital and external debts and funds recovered from overseas listing) may convert from foreign currency into RMB on a self-discretionary basis. The ratio of the discretionary exchange rate of foreign exchange receipts under the domestic capital account is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

According to the Notice of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) which was promulgated on October 23, 2019 and amended by SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) which was promulgated on December 4, 2023, foreign-invested enterprises engaged in non-investment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to the law on the condition that the current Special Administrative Measures for Access of Foreign Investment (Negative List) are not violated and the relevant domestic investment projects are genuine and in compliance with laws.

REGULATIONS RELATED TO OVERSEAS SECURITIES OFFERING AND LISTING BY DOMESTIC ENTERPRISES

On February 17, 2023, the CSRC issued the Overseas Listing Regulations which have come into effect since March 31, 2023. The Trial Measures for Administration comprehensively improve and reform the current regulatory system for overseas offering and listing of securities by domestic enterprises, and regulate the direct and indirect offering and listing of securities overseas by domestic enterprises through the adoption of a regulatory system based on filing. According to the Trial Measures for Administration, overseas listing and offering shall not be permitted under any of the following circumstances, where: (i) listing and financing is specifically prohibited by the laws, administrative regulations or relevant national regulations of the PRC; (ii) overseas offering and listing may endanger national security as determined by the relevant competent department of the State Council after examination in accordance with the laws; (iii) a domestic enterprise or its controlling shareholder or de facto controller has committed a criminal crime of corruption, bribery, embezzlement of property, misappropriation of property or disrupting the economic order of the socialist market in the last three years; (iv) a domestic enterprise is under investigation according to the laws for being suspected of crimes or major violations of laws and regulations and but no clear conclusion has been made; or (v) there is a major dispute over ownership of the equity interests held by the controlling shareholder or the shareholder controlled by the controlling shareholder or the de facto controller.

According to the Trial Measures for Administration, the issuer shall submit the required filing documents to the CSRC within three working days after the overseas listing application is submitted to the relevant overseas regulator or listing venue. Once the filing documents are complete and in compliance with the stipulated requirements, the CSRC will, within 20 working days, conclude the review procedure and publish the filing results on the CSRC website. To the extent the filing documents are incomplete or do not conform to stipulated requirements, the CSRC will, within five working days upon receipt of filing documents, request supplementation and amendment to the filing. Then the issuer has 30 days to prepare any requested supplemented/amended filing. In addition, following the listing in an overseas market, the issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of the following events involving the issuer: (1) change of control; (2) investigations or sanctions imposed by overseas regulators; (3) change of listing status or transfer of listing market; and (4) voluntary or involuntary delisting.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening Confidentiality and Archives Administration for Overseas Securities Offering 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 Confidentiality Provisions, a domestic enterprise must obtain approval from the competent departments with the authority to examine and approve, in accordance with the laws, and file a record with the administrative department for confidentiality at the same level, when providing or publicly disclosing, or providing or public disclosing through its overseas listed entities, documents and information involving secrets of China and work secrets of the organizations of China to relevant securities companies, securities service institutions, overseas regulatory authorities, and other entities and individuals. Domestic enterprises shall perform relevant procedures in compliance with the relevant provisions of China when providing accounting files or copies of accounting files to relevant securities companies, securities service institutions, overseas regulatory authorities, and other entities and individuals. The working papers generated domestically by securities companies and securities service institutions, which provide services in respect of overseas offering and listing for domestic enterprises, shall be stored within the territory. Those that need to transmit working papers outbound shall go through examination and approval formalities in accordance with the relevant provisions of China.