LAWS AND REGULATIONS RELATED TO THE AGRICULTURAL MACHINERY INDUSTRY DEVELOPMENT

Since the implementation of the Law of the People's Republic of China on Agricultural Technology Promotion (《中華人民共和國農業技術推廣法》) in 1993, relevant departments in China have successively issued and revised a series of laws and regulations to promote the development of the agricultural machinery industry. Especially after 2004, China has further strengthened its supervision and support for the agricultural machinery industry. The Law of the People's Republic of China on Agricultural Technology Promotion (Amended in 2024), released by the Standing Committee of the National People's Congress on July 2, 1993, explicitly states that it is necessary to strengthen the promotion of agricultural technologies, including agricultural machinery technology, to facilitate the application of agricultural research achievements and practical technologies in agricultural production as soon as possible and realize agricultural modernization.

The Law of the People's Republic of China on Promotion of Agricultural Mechanization (《中華人民共和國農業機械化促進法》) (amended in 2018), released by the Standing Committee of the National People's Congress on June 25, 2004, explicitly states the encouragement and support for farmers and agricultural production and operation organizations to use advanced and applicable agricultural machinery, in order to promote agricultural mechanization and develop modern agriculture.

The Measures for the Test and Appraisal of Agricultural Machinery (《農業機械試驗鑑定辦法》) (amended in 2018), released by the former Ministry of Agriculture on July 26, 2005, explicitly states the need to standardize the identification work of agricultural mechanization. Through scientific tests, inspections, and assessments, technical evaluations were made on the applicability, safety, and reliability of agricultural machinery, providing a basis and information for the selection and promotion of agricultural machinery.

The Regulations on the Safety Supervision and Management of Agricultural Machinery (《農業機械安全監督管理條例》) (amended in 2019), released by the State Council on September 17, 2009, clearly stated that the state encourages and supports the development, production, promotion, and application of advanced, applicable, safe, reliable, energy-saving, and environmentally friendly agricultural machinery, and establishes and improves agricultural machinery safety technical standards and safety operation procedures.

The Work Specification for the Test and Appraisal of Agricultural Machinery (《農業機械試驗鑑定工作規範》), released by the Ministry of Agriculture and Rural Affairs on March 8, 2019, proposed the establishment of a national informatization platform for the management and service of agricultural machinery test and appraisal, uniformly publicizing information such as the outlines of agricultural machinery appraisal, the product category guidelines, the appraisal results, and the certificates. The Measures for the Handling of Agricultural Machinery Accidents (《農業機械事故處理辦法》) (amended in 2022) issued by the former Ministry of Agriculture on January 12, 2011, made detailed provisions on the definition, investigation, classification and handling of agricultural machinery accidents.

The Opinions of the State Council on Comprehensively Promoting Rural Revitalization and Accelerating Agricultural and Rural Modernization (《中華人民共和國鄉村振興促進法》), released by the State Council on January 4, 2021, clearly proposed to improve the independent research and development ability of agricultural machinery and equipment, support the research, development, and manufacturing of high-end intelligent and mountainous and hilly agricultural machinery and equipment, increase the subsidy for the purchase of agricultural machinery, and carry out subsidies for agricultural machinery operations.

LAWS AND REGULATIONS RELATED TO FOREIGN INVESTMENT

Company Law of the PRC

The Company Law of the PRC (《中華人民共和國公司法》), promulgated by the Standing Committee of the National People's Congress of the PRC (全國人民代表大會常務委員會) (the "**SCNPC**") on December 29, 1993, last amended on December 29, 2023 and came into effect on July 1, 2024, governs the establishment, operation and management of companies in the PRC, including foreign-invested companies. Unless foreign investment laws provide otherwise, foreign-invested companies shall abide by the Company Law of the PRC.

Foreign Investment Law of the PRC and Regulations on the Implementation of the Foreign Investment Law of the PRC

Foreign investment in the PRC is subject to the Catalogue of Industries for Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》) (the "**Catalogue**"), amended on October 26, 2022 and effective since January 1, 2023 and the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**"), promulgated on September 6, 2024 and effective since November 1, 2024, both of which issued by the National Development and Reform Commission (國家發展和改革委員會) (the "**NDRC**") and the Ministry of Commerce of the PRC (中華人民共和國商務部) (the "**MOFCOM**"). The Catalogue and the Negative List lay out the basic framework for foreign investment in China, classifying businesses into three categories with regard to foreign investment: "encouraged", "restricted", and "prohibited". Industries not listed in the Catalogue or the Negative List are generally deemed as falling into a fourth category, "permitted", unless specifically restricted by other PRC laws and regulations.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**"), promulgated by the National People's Congress (全國人民代表大會) (the "**NPC**") on March 15, 2019, effective since January 1, 2020, and the Implementation Regulations for the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Regulations for FIL**"), promulgated by the State Council (國務院) on December 26, 2019, effective since January 1, 2020, are the principal existing law and regulation governing foreign investment in the PRC. The FIL and the Implementation Regulations for FIL are enacted to further expand opening-up, actively promote foreign investment, protect legitimate rights and interests in foreign investment, and standardize foreign investment management. Pursuant to the FIL and the Implementation Regulations for FIL, the PRC adopts a system of national treatment plus the Negative List with respect to foreign investment administration. Foreign investment and domestic investment in industries outside the scope of the Negative List issued or released upon approval by the State Council would be treated equally. On December 30, 2019, the Ministry of Commerce and the SAMR, jointly promulgated the Measures for Information Reporting on Foreign Investment (《外商投資信息報告辦法》), which became effective on January 1, 2020. Pursuant to the Measures for Information Reporting on Foreign Investment, where a foreign investor carries out investment activities in China directly or indirectly, the foreign investor or the foreign-invested enterprise shall submit the investment information to the competent commerce department.

On December 19, 2020, the NDRC and the MOFCOM jointly promulgated the Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》), effective on January 18, 2021, setting forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, review scopes and procedures, among others. Foreign investor or relevant parties in China must declare the security review prior to (i) the investments in the military industry, military industrial supporting and other fields relating to the security of national defense, and investments in areas surrounding military facilities and military industry facilities; and (ii) investments in important agricultural products, important energy and resources, important equipment manufacturing, important infrastructure, important transportation services, important cultural products and services, important information technology and Internet products and services, important financial services, key technologies and other important fields relating to national security; and obtaining control in the target enterprise.

LAWS AND REGULATIONS RELATED TO OVERSEAS INVESTMENT

The Administrative Measures on Overseas Investment (《境外投資管理辦法》) was promulgated by the MOFCOM on September 6, 2014 and came into effect on October 6, 2014. According to these measures, overseas investment shall refer to the obtaining of ownership of an overseas non-financial enterprise by means of incorporation, merger, acquisition or any other method by an enterprise incorporated in the PRC. Any overseas investments involving sensitive countries and regions or sensitive industries shall be subject to the approval of the MOFCOM or its provincial counterpart; overseas investments that do not fall into the aforementioned category shall be subject to a filing to the relevant provincial counterpart of the MOFCOM. Enterprises that obtained approval or completed the filing process will receive an Overseas Investment Certificate for Enterprise (《企業境外投資證書》) issued by MOFCOM or its provincial counterpart.

The Administrative Measures for Overseas Investment by Enterprises (《企業境外投資管理辦法》) was promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018. As defined therein, overseas investment refers to investment activities to obtain proprietary right, right of control, right of business management, and other related rights and interests outside of the PRC, by an enterprise incorporated in the PRC, either directly or via an overseas enterprise under its control, by way of contributing asset and/or interest or providing financing and/or guarantee. Prior to investing overseas, the investment project shall be approved by the NDRC, if it involves sensitive countries and regions or sensitive industries; if the investment project is considered not sensitive as it does not involve sensitive countries and regions or sensitive industries, the entity intending to complement the project shall file relevant information with the NDRC or its provincial counterparts. The Catalogue of Sensitive Industries for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018版)》), which was promulgated by the NDRC on January 31, 2018 and came into effect on March 1, 2018, sets out a detailed list for the aforementioned sensitive industries.

LAWS AND REGULATIONS RELATED TO VALUE-ADDED TELECOMMUNICATION SERVICES

The PRC Telecommunications Regulations (《中華人民共和國電信條例》) (the "**Telecommunications Regulations**"), promulgated by the State Council on September 25, 2000 and last amended with immediate effect on February 6, 2016, provides the regulatory framework for telecommunications services in the PRC. The Telecommunications Regulations classifies telecommunications services into basic telecommunications services and value-added telecommunications services. Providers of telecommunications services are required to procure licenses prior to commencing operations. According to the Catalogue of Telecommunications Services (《電信業務分類目錄》) attached to the Telecommunications Regulations and last amended by the MIIT on June 6, 2019, information services provided via public communication network or the Internet are value-added telecommunications services.

As a subcategory of the value-added telecommunications services, Internet information services are regulated by the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) (the "**Internet Measures**"), which was promulgated by the State Council on September 25, 2000 and last amended with immediate effect on December 6, 2024. Internet information services are defined as services that provide information to online users through the Internet. The Internet Measures classifies Internet information services into non-commercial Internet information services and commercial Internet information services. Commercial Internet information service providers shall obtain a license for value-added telecommunications services with the specification of Internet information service from appropriate telecommunications authorities, while non-commercial ones shall file with such authorities.

According to the MIIT Circular on Removing Foreign Equity Ratio Restrictions on Online Data and Transaction Processing (Commercial E-Commerce) Business (《工業和信息化部關於放開在線數據處理與交易處理業務（經營類電子商務）外資股比限制的通告》), promulgated by the MIIT on June 19, 2015, as well as the 2024 Negative List, foreign investors are allowed to hold up to 100% of all equity interest in an online data and transaction processing business (commercial e-commerce) in China. An e-commerce operator shall obtain a license for value-added telecommunications services with the specification of online data processing and transaction processing business from appropriate telecommunications authorities, pursuant to the Telecommunications Regulations and the Catalog of Telecommunications Services.

LAWS AND REGULATIONS RELATED TO PRODUCT QUALITY

The PRC Product Quality Law (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993 and most recently amended on December 29, 2018 is the principal governing law related to the supervision and administration of product quality. According to the PRC Product Quality Law, manufacturers shall be liable for the quality of products produced by them and sellers shall take measures to ensure the quality of the products sold by them. A manufacturer shall be liable to compensate for any physical injuries or damage to property other than the defective product itself resulting from the defects in the product, unless the manufacturer is able to prove that: (i) the product has not been put into circulation; (ii) the defects causing injuries or damage did not exist at the time when the product was put into circulation; or (iii) the science and technology at the time when the product was put into circulation were at a level incapable of detecting the existence of the defect. A seller shall be liable to compensate for any physical injuries or damage to property of others caused by the defects in the product. Where a product is defective due to a mistake made by the seller and such defect causes physical injury or damage to the property of others, the seller shall bear liability for compensation. Where a seller cannot specify the producer of a defective product nor the supplier of such defective product, the seller shall be liable for compensation. Where a defect in a product causes physical injuries to others or damages to the property of others, the victim may claim compensation from the producer of the product or from the seller of the product.

Pursuant to the PRC Civil Code (《中華人民共和國民法典》) promulgated by the NPC on May 28, 2020 and becoming effective on January 1, 2021, in the event of damages caused to others due to the defects in a product, the infringed party may seek compensation from the manufacturer or the seller of such product and shall have the right to request the manufacturer and the seller to bear tortious liabilities, such as cessation of infringement, removal of obstruction, elimination of danger, etc.

LAWS AND REGULATIONS RELATED TO IMPORTATION AND EXPORTATION OF GOODS

The PRC Foreign Trade Law (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994 which came into effect on July 1, 1994 and most recently amended on December 27, 2025 and the PRC Regulations on the Administration of Import and Export of Goods (《中華人民共和國貨物進出口管理條例》) promulgated by the State Council on December 10, 2001, most recently amended on March 10, 2024, and came into effect on May 1, 2024, both stipulated that the import and export of goods and technologies to and from the PRC are free, unless otherwise in relevant laws or administrative regulations, and all entities engaging in the business of importation and exportation of goods shall comply with applicable laws and regulations. The PRC Customs Law (《中華人民共和國海關法》) promulgated on January 22, 1987, as most recently amended on April 29, 2021, stipulates that, among other things, the consignee or consignor of import or export goods or a customs agent shall file for record with relevant customs authority before going through any customs declaration procedures. Provisions on the Administration of Recordation of Customs Declaration Entities of the PRC (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of the PRC on November 19, 2021, and effective from January 1, 2022, further gives detailed requirement on the documents needed for the filing and the requirement on reporting certain changes of the filed information to the relevant customs authority.

REGULATIONS RELATING TO WORK SAFETY

The PRC Work Safety Law (《中華人民共和國安全生產法》) was promulgated by the SCNPC on June 29, 2002, most recently amended on June 10, 2021 and became effective on September 1, 2021. The Work Safety Law applies to all entities engaging in production and business activities in the PRC. Such entities shall strengthen work safety management, establish and improve the all-staff work safety responsibility system and internal rules and regulations in relation to work safety, increase investment in funds, materials, technologies and staff for work safety, improve working conditions, strengthen the development of a standardized and information technology enabled work safety system, establish a dual prevention mechanism of graded management and control of safety risks and the screening and handling of hidden dangers, improve the risk prevention and resolution mechanism so as to ensure work safety. Violations of the PRC Work Safety Law may result in administrative penalties such as fine, suspension of operation and revocation of license.

The PRC Fire Prevention Law (《中華人民共和國消防法》) was promulgated by the SCNPC on April 29, 1998, and was most recently amended and became effective on April 29, 2021. According to the PRC Fire Prevention Law, enterprises are required to perform the following duties in relation to fire prevention: (i) implement fire safety accountability system prepare fire safety system and fire safety operational procedures for their organization, and prepare fire extinguishment and emergency evacuation plans;(ii) prepare and install firefighting facilities and equipment pursuant to applicable laws and industry standards, install fire safety signs, and organize inspection and maintenance on a regular basis to ensure that the facilities and equipment are in good working conditions; (iii) conduct comprehensive inspection of firefighting facilities in the buildings they are in at least once a year to ensure that they are in good working conditions, the inspection records shall be complete and accurate and be well kept for reference and regulatory inspection; (iv) ensure that evacuation access, safety exits and fire engine access roads are unblocked, and ensure that the fire and smoke bay and firebreak distance comply with relevant technical standards; (v) organize fire prevention checks to promptly eliminate hidden fire hazards; (vi) organize and carry out targeted fire drills; and (vii) perform any other fire safety duties stipulated by applicable laws and regulations. Failure to perform those duties and other violations of the PRC Fire Prevention Law may result in a fine or an order of suspension of business.

LAWS AND REGULATIONS RELATED TO THE PROTECTION OF CYBERSECURITY AND DATA PROTECTION

Laws and Regulations Relating to Cybersecurity

The Administrative Measures for the Hierarchical Protection of Information Security (《信息安全等級保護管理辦法》) that was issued by the Ministry of Public Security (公安部) (the "**MPS**"), National Administration of State Secrets Protection (國家保密局), State Council Information Office (abolished) and State Cryptography Administration (國家密碼管理局) and took effect on June 22, 2007 requires the entities that operate and use information systems to fulfill the obligation of the hierarchical protection of information security. The operator or the user of the information systems at Grade II or above shall complete the record filing procedures.

Cybersecurity Review

On December 28, 2021, thirteen PRC governmental and regulatory agencies, including the CAC, promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》), which came into effect on February 15, 2022. The Measures for Cybersecurity Review specifies that the procurement of network products and services by operator of critical information infrastructure and the activities of data process carried out by Internet platform operator that raise or may raise "national security" concerns are subject to strict cybersecurity review by the Cybersecurity Review Office established by the CAC. Before critical information infrastructure operator purchases network products and services, it should assess the potential risk of national security that may be caused by the use of such products and services. If such use of products and services may give raise to national security concerns, it should apply for a cybersecurity review. In addition, Internet platform operators that possess the personal information of over one million users must apply for a review by the Cybersecurity Review Office, if they plan listing of companies in foreign countries. The CAC may voluntarily conduct cybersecurity review if any network products and services and activities of data process affects or may affect national security.

Pursuant to the Security Protection Regulations for Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) (the "**CII Regulations**") issued by the State Council, which took effect on 1 September 2021, critical information infrastructure means important network facilities and information systems in important industries and fields, that may seriously endanger national security, national economy and people's livelihood, and public interests in the event that they are damaged or lose their functions or their data are leaked. The CII Regulations further state that the competent authorities and supervisory authorities shall also notify the operator that it is recognized as a CIIO. As of the Latest Practicable Date, we have not been notified in writing or orally by any protection authorities as a CIIO. We should keep abreast of the applicable laws and regulations in this regard and implement all necessary measures in a timely manner to ensure compliance with the relevant laws and regulations.

Laws and Regulations Relating to Data Protection

Pursuant to the PRC Civil Code (《中華人民共和國民法典》) adopted by the NPC on May 28, 2020, and effective on January 1, 2021, personal information of natural persons is protected by law. Any organization or individual must legally obtain the relevant personal information of others and must ensure the security of the relevant information, and must not illegally collect, use, process, or transmit the personal information of others, nor illegally trade, provide, or disclose the personal information of others.

The Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) (the "**Data Security Law**") was passed by the Standing Committee of the 13th NPC at the 29th Session on June 10, 2021 and came into effect on September 1, 2021. The Data Security Law requires the data processor to establish and improve a whole-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to safeguard data security. In conducting data processing activities by using the Internet or any other information network, the data processor shall perform the above data security protection obligations on the basis of the hierarchical cybersecurity protection system. Any violation of the provisions and requirements under the Data Security Law may subject a data processor to rectifications, warnings, fines, suspension of the related business, revocation of licenses or even criminal liabilities.

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》), effective from November 1, 2021. The Personal Information Protection Law requires, among others, that entities handling personal information shall obtain the prior consent of the individual, or have another legitimate basis and shall bear responsibilities for their personal information handling activities, and adopt necessary measures to safeguard the security of the personal information they handle. Otherwise, the entities handling personal information could be ordered to rectify, or suspend or terminate the provision of services, and face confiscation of illegal income, fines or other penalties.

On July 7, 2022, the CAC issued the Measures for the Security Assessment of Data Cross-border Transfer (《數據出境安全評估辦法》) which took effective on September 1, 2022. On February 22, 2023, the CAC issued the Measures on Standard Contracts for Cross-border Transfer of Personal Information (《個人信息出境標準合同辦法》) which took effective on June 1, 2023. On March 22, 2024, the CAC issued the Provisions on Promoting and Regulating Cross-border Flow of Data (《促進和規範數據跨境流動規定》), or the New Cross-border Data Flow Provisions, which took effect on the same day. The New Cross-border Data Flow Provisions state that if there is any conflict with the Measures for the Security Assessment of Cross-border Data Transfer and the Measures on Standard Contracts for Cross-border Transfer of Personal Information, the New Cross-border Data Flow Provisions shall prevail. According to the New Cross-border Data Flow Provisions, data processors are subject to security assessments conducted by the CAC prior to any cross-border transfers of important data or when the type and volume of personal information to be transferred meet certain thresholds or specific criteria.

On December 8, 2022, the MIIT promulgated the Measures for the Administration of Data Security in the Field of Industry and Information Technology (Trial) (《工業和信息化領域數據安全管理辦法(試行)》), which came into effect on January 1, 2023. Data processors in the field of industry and information technology shall take the main responsibility for the security of data processing activities, implement hierarchical protection for various types of data, and where different levels of data are being processed at the same time and it is difficult to take separate protection measures, the protection shall be implemented in accordance with the requirements of the highest levels, to ensure that the data continues to be effectively protected and legally utilized.

On September 24, 2024, the Regulation on Network Data Security Management (《網絡數據安全管理條例》) was promulgated by the State Council and has come into effect on January 1, 2025. The Regulation on Network Data Security Management is to implement general requirements on data security management from the Cybersecurity Law, the Data Security Law, as well as the Personal Information Protection Law, reiterating the general regulations for data processing activities and rules of personal information protection, important data security protection, network data cross-border transfer management, and internet platform service providers' obligations.

LAWS AND REGULATIONS RELATED TO INTELLECTUAL PROPERTY

Trademarks

The Trademark Law of the People's Republic of China (《中華人民共和國商標法》)(the "**Trademark Law**") became effective on March 1, 1983 and was last amended on April 23, 2019, and the Implementation Rules of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》) became effective on September 15, 2002 and was last amended on April 29, 2014. The Trademark Law and its implementation rules provide the basic legal framework for the regulation of trademarks in the PRC, covering registered trademarks, including commodity trademarks, service trademarks, collective marks and certificate marks. Registered trademarks are protected under the Trademark Law and related rules and regulations. Trademarks are registered with the Trademark Office of the National Intellectual Property Administration. Where registration is sought for a trademark that is identical or similar to another trademark that has already been registered or given preliminary examination and approved for use on the same or similar commodities or services, the application for registration of such trademark may be rejected. Trademark registrations are effective for a renewable ten-year period, unless otherwise revoked.

Patents

The PRC Patent Law (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, most recently amended on October 17, 2020 and effective on June 1, 2021, and the Implementing Rules for the PRC Patent Law (《中華人民共和國專利法實施細則》) promulgated by the State Council on June 15, 2001, most recently amended on December 11, 2023 and effective on January 20, 2024, provide for three types of patents: "invention", "utility model" and "design". "Invention" refers to any new technical solution in relation to a product, or a process or improvement thereof. "utility model" refers to any new technical solution relating to the shape, structure, or their combination, of a product, which is suitable for practical use. "design" refers to a new design that is aesthetic and suitable for industrial application for the overall or partial shape, pattern or its combination of products, as well as the combination of color, shape and pattern. The validity period of a patent for an "invention" is twenty years, while the validity period of a patent for a "utility model" is ten years, and that of a "design" is fifteen years, from the date of application.

Copyright and Software Copyright

Copyright (including software copyright) is mainly protected by the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) as promulgated on September 7, 1990 and last amended on November 11, 2020 by the SCNPC and the Implementing Rules of the Copyright Law of the People's Republic of China (《中華人民共和國著作權法實施條例》) as promulgated on August 2, 2002 and last amended on January 30, 2013 by the State Council. Such law and rules prescribe that Chinese citizens, legal persons or other organizations enjoy copyright protection over their works, whether published or not, in the domain of literature, art and science. In addition, internet activities, products disseminated over the internet and software products also enjoy copyright. Pursuant to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002 and the Regulation on Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991 and last amended by the State Council on January 30, 2013, the National Copyright Administration is mainly responsible for the registration and management of software copyright in China and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center shall grant certificates of registration to computer software copyright applicants in compliance with the regulations of the Measures for the Registration of Computer Software Copyright and the Regulation on Protection of Computer Software.

Domain Names

Internet domain name registration and related matters are regulated by the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and taking into effect on November 1, 2017, and the Implementation Rules for the Registration of National Top-level Domain Names (《國家頂級域名註冊實施細則》) promulgated by China Internet Network Information Center and taking into effect on June 18, 2019. Domain name owners are required to register their domain names and the MIIT is in charge of the administration of PRC internet domain names. The domain name services follow a "first come, first file" principle. The applicants will become the holders of such domain names upon the completion of the registration procedure.

LAWS AND REGULATIONS RELATED TO LAND OR PROPERTY USE

In June 1986, the SCNPC promulgated the Land Administration Law of the PRC (《中華人民共和國土地管理法》), which was last amended on August 26, 2019 and became effective on January 1, 2020. In January 1991, the State Council published Rules for Implementation of the Land Administration Law of the PRC (《中華人民共和國土地管理法實施條例》) which was last amended on July 2, 2021 and came into effect on September 1, 2021. According to the regulations, enterprises and individuals shall use land strictly in accordance with the purpose stipulated in the land use master plan. If the enterprises or individuals do not use state-owned land in accordance with the approved land use purpose, the natural resources administrative department of the people's government at county level and above shall order the party concerned to hand over the land.

LAWS AND REGULATIONS RELATED TO PROPERTY LEASING

Pursuant to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by the SCNPC on July 5, 1994 and was latest amended on August 26, 2019, and the Management Measures for the Lease of Commercial Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010, and effective on February 1, 2011, the parties to a housing lease shall enter into a lease contract in accordance with the law. Within 30 days after the conclusion of the housing lease contract, the parties to the lease shall go to the competent department of construction (real estate) of the people's government of the municipality, city or county where the leased housing is located to register and file the housing lease. In violation of the foregoing provisions, the competent construction (real estate) departments of the people's governments of the municipalities directly under the central government, cities and counties shall order rectification within a time limit. If rectification is not made by an individual within the time limit, a fine of less than RMB1,000 shall be imposed. If rectification is not made by an entity within the time limit, a fine of more than RMB1,000 but less than RMB10,000 shall be imposed. According to the PRC Civil Code, the parties' failure to register the lease contract in accordance with the provisions of laws and administrative regulations does not affect the validity of the contract.

LAWS AND REGULATIONS RELATED TO LABOR PROTECTION, SOCIAL INSURANCE AND HOUSING PROVIDENT FUNDS

General Labor Contract Rules

Labor contracts must be concluded in writing if labor relationships are to be or have been established between enterprises, individual economic organizations, private non-enterprise entities, etc. and the employees under the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), promulgated on June 29, 2007 and last amended on December 28, 2012. Employers are forbidden to force employees to work overtime or to do so in a disguised manner and employers must pay employees overtime wages in accordance with national regulations. In addition, wages may not be lower than local standards on minimum wages and must be paid to the employees timely. According to the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), promulgated on July 5, 1994 and last amended on December 29, 2018, employers shall establish and improve a system of labor safety and sanitation and shall strictly abide by national rules and standards on labor safety and sanitation and educate employees on labor safety and sanitation so as to prevent accidents during work and reduce occupational hazards. Labor safety and sanitation facilities shall comply with national standards. The employers must also provide employees with labor safety and sanitation conditions that are in compliance with national standards and necessary articles for labor protection.

Social Insurance and Housing Provident Fund

According to the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) passed by the SCNPC on October 28, 2010 and amended on December 29, 2018, each employer and individual in the PRC shall make social insurance contributions, including basic pension insurance, basic medical insurance, work injury insurance, unemployment insurance and maternity insurance. Employer who fails to promptly pay social insurance contributions in full amount shall be ordered to pay or supplement within a prescribed period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times the amount of the amount in arrears. Pursuant to the Interpretation II of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), promulgated on July 31, 2025 and effective since September 1, 2025, any agreement between an employer and an employee or any commitment made by an employee to the employer stating that social insurance premiums need not be paid shall be deemed invalid by the people's court. If an employer fails to pay social insurance premiums in accordance with the law, and the employee requests to terminate the labor contract and claims economic compensation pursuant to Article 38(3) of the Labor Contract Law of the People's Republic of China, the people's court shall support such claims in accordance with the law. In the circumstances described in the preceding paragraph, if the employer subsequently pays the social insurance premiums in accordance with the law and requests the employee to return the compensation already paid for the social insurance premiums, the people's court shall support such requests in accordance with the law.

According to the Administrative Regulations on the Housing Provident Fund (《住房公積金管理條例》) passed by the State Council on April 3, 1999 and last amended on March 24, 2019, each employer and individual in the PRC shall make housing provident fund contributions. Where, in violation of the provisions of the regulations, an employer is overdue in the contribution of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

LAWS AND REGULATIONS RELATED TO TAXATION

PRC Enterprise Income Tax Law

According to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) promulgated by the NPC on March 16, 2007, and most recently amended on December 29, 2018 and effective from the same date and the Enterprise Income Tax Implementation Regulations (《中 華人民共和國企業所得稅法實施條例》) promulgated by the State Council on December 6, 2007, and most recently amended on December 6, 2024 and effective on January 20, 2025, enterprises are divided into resident enterprises and non-resident enterprises. Resident enterprises are enterprises which are set up in China in accordance with law, or which are set up in accordance with the law of a foreign country (region) but which are actually under the administration of institutions in China. Non-resident enterprises are enterprises which are set up in accordance with the law of a foreign country (region) and whose actual administrative institution is not in China, but which have institutions or establishments in China, or which have no such institutions or establishments but have income generated from inside China. Resident enterprises are subject to a uniform 25% enterprise income tax rate on their worldwide income. The enterprise income tax rate is reduced by 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC's government will enjoy a 15% tax rate reduction for Enterprise Income Tax.

Value-Added Tax

In accordance with the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》), promulgated by the Standing Committee of the National People's Congress and effective as of January 1, 2026, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, real estate, and import goods within the territory of China are regarded as value-added tax payers and shall pay value-added tax in accordance with said Law. The term "selling goods, services, intangible assets, and real estate" refers to the transfer of ownership of goods and real estate for consideration, the provision of services, and the transfer of ownership or the right to use intangible assets. The value-added tax rates are set at 13%, 9%, 6%, and 0%, depending on the nature of the transactions. The tax rate applicable under the simplified tax calculation method is 3%.

LAWS AND REGULATIONS RELATED TO DIVIDEND DISTRIBUTION

Pursuant to the Administrative Measures on Entitlement of Non-resident Taxpayers to Preferential Treatment under Tax Treaties (《非居民納稅人享受協定待遇管理辦法》), which was promulgated by the SAT on October 14, 2019, came into effect on January 1, 2020, non resident taxpayers are entitled to preferential treatment under tax treaties through self determination, self-declaration and keeping and documenting relevant information for inspection. Where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through a withholding agent, simultaneously gather and retain the relevant materials pursuant to the regulations for future inspection, and subject to subsequent administration by tax authorities.

LAWS AND REGULATIONS RELATED TO FOREIGN EXCHANGE

Under the PRC Foreign Currency Administration Rules (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, and last amended on August 5, 2008 and various regulations issued by the SAFE and other relevant PRC government authorities, Renminbi is convertible into other currencies for the purpose of current account items, such as trade related receipts and payments, payment of interest and dividends. The conversion of Renminbi into other currencies and remittance of the converted foreign currency outside China for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, requires the prior approval from the SAFE or its local branches. Payments for transactions that take place within China must be made in Renminbi. Unless otherwise provided by laws and regulations, PRC companies may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant PRC rules and regulations. For foreign exchange proceeds under the capital accounts, approval from the SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the relevant PRC rules and regulations.

According to the Guidelines for the Foreign Exchange Business under the Capital Account (2024) (《資本項目外匯業務指引(2024年版)》) issued by SAFE on April 3, 2024, in principle, the funds raised by overseas listings of domestic companies should be repatriated to China in a timely manner, and can be repatriated in RMB or foreign currency. The use of funds shall be consistent with the relevant contents listed in the publicly disclosed documents. Domestic companies using the funds raised from overseas listings to carry out overseas direct investment, overseas securities investment, overseas lending and other businesses shall comply with the relevant foreign exchange management regulations.

The Notice on Further Simplifying and Improving Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》), which was issued by SAFE on February 13, 2015 and was amended on December 30,2019, allowing entities and individuals to apply for foreign exchange registrations through qualified banks. Under SAFE's supervision, these banks can directly review applications. On March 30, 2015, SAFE released the

Circular on Reforming Settlement Management of Foreign Capital in Foreign-invested Enterprises (《關於改革外商投資企業外匯資本金結匯管理方式的通知》). This circular mandates Discretionary Foreign Exchange Settlement for foreign-invested enterprises, enabling them to settle foreign exchange capital based on operational needs, subject to document verification. The circular emphasizes authentic and self-use principles within the enterprise's scope, barring use for payments beyond business scope, securities investment (unless specified), Renminbi entrust loans, inter-enterprise borrowings, or real estate expenses (except for self-use by foreign-invested real estate enterprises).

The Circular of Further Improving and Adjusting the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the "**SAFE Circular 13**"), which became effective on December 1, 2012 and was last amended on December 30, 2019, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

REGULATIONS RELATED TO OVERSEAS LISTING

Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five relevant guidelines (the "**Overseas Listing Trial Measures**") were promulgated by the CSRC on February 17, 2023, and came into effect on March 31, 2023. According to the Overseas Listing Trial Measures, issuers seeking an initial public offering or listing abroad must file with the CSRC within three working days following the submission of their application documents for issuance and listing abroad.

Pursuant to the aforementioned regulations, issuers are prohibited from overseas offering and listing if they fall under one of the following circumstances: (1) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (2) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (3) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (4) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (5) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller.

Where a domestic company seeks to indirectly offer and list securities in overseas markets, the issuer shall designate a major domestic operating entity as the responsible entity to file with the CSRC, submit a filing report and other relevant materials and provide truthful, accurate and complete information on the shareholders, among other details.

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

REGULATIONS RELATED TO EMPLOYEE SHARE AWARD SCHEME

Pursuant to the Notice of Issues Related to the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Listed Company, or SAFE Circular 7（《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》）, issued by the SAFE in February 2012, employees, directors, supervisors, and other senior management participating in any share incentive plan of an overseas publicly-listed company who are PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which may be a PRC subsidiary of such overseas listed company, and complete certain other procedures.

In addition, the SAT has issued certain circulars concerning employee restricted shares. Under these circulars, employees working in the PRC who are granted restricted shares will be subject to PRC individual income tax. The PRC subsidiaries of an overseas listed company are obligated to file documents related to employee restricted shares with relevant tax authorities and to withhold individual income taxes of employees who purchase restricted shares. If the employees fail to pay or the PRC subsidiaries fail to withhold income tax in accordance with relevant laws and regulations, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC governmental authorities.

OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN HONG KONG

Regulations Relating to Business Registration

Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong) (the "BRO")

The BRO requires every person carrying on any business to make application to the Commissioner of Inland Revenue in the prescribed manner for the registration of that business. The Commissioner of Inland Revenue must register each business for which a business registration application is made and as soon as practicable after the prescribed business registration fee and levy are paid, and issue a business registration certificate or branch registration certificate for the relevant business or the relevant branch as the case may be.

Regulations Relating to Sale of Goods

Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong) (the "SOGO")

The SOGO governs the formation, performance and remedies of contract for the sale of goods in Hong Kong and the transfer of title of goods sold. The ordinance also sets out certain implied terms or conditions and warranties generally relating to the safety and suitability of goods supplied under a contract of sale for goods in Hong Kong, including:

(i) where there is a sale of goods by description, the goods shall correspond with the description;

(ii) where the seller sells goods in the course of a business, the goods shall be of a merchantable quality, i.e. (a) as fit for the purpose or purposes for which the goods of that kind are commonly bought; (b) of such standard of appearance and finish; (c) as free from defects (including minor defects); (d) as safe; and (e) as durable, as it is reasonable to expect having regard to any description applied to them, the price (if relevant) and all the other relevant circumstances; and

(iii) where the seller sells goods in the course of a business and the buyer makes known to the seller (whether expressly or by implication) any particular purpose for which the goods are being bought, the goods supplied under the contract shall be reasonably fit for that purpose.

Under section 55 of the SOGO, where there is a breach of warranty by the seller, the buyer is not, by reason only of such breach of warranty, entitled to reject the goods, but he may set up against the seller the breach of warranty in diminution or extinction of the price, or maintain an action against the seller for damages for the breach of warranty.

Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) (the "TDO")

Under the TDO, (a) use of false trade descriptions; (b) false, misleading or incomplete information, (c) false marks and misstatements in respect of products, and (d) false trade descriptions in respect of services supplied are prohibited. In addition, the TDO makes certain trade practices criminal offence, namely: (a) misleading omission; (b) aggressive commercial practices; (c) bait advertising; (d) bait and switch; and (e) wrongful acceptance of payment. The TDO also provides for offences relating to forged trade mark, and falsely applying of trade mark or resembling marks.

Supply of Services (Implied Terms) Ordinance (Chapter 457 of the Laws of Hong Kong) ("SSITO")

Under the SSITO, certain terms are implied in the contracts with customers for the supply of services, including: (a) that the supplier will carry out the service with reasonable care and skill; (b) that the supplier will carry out the service within a reasonable time (if the time of service is not fixed or fixed in a manner agreed); (c) that the party contracting with the supplier will pay a reasonable charge (if the consideration is not determined by the contract or left to be determined in a manner agreed or by course of dealing between the parties).

Unconscionable Contracts Ordinance (Chapter 458 of the Laws of Hong Kong) (the "UCO")

Under the UCO, if the Hong Kong court finds that a contract for sale of goods or supply of services (in which one of the parties deals as consumer) to have been unconscionable in the circumstances relating to the contract at the time it was made, the court may: (a) refuse to enforce the contract; (b) enforce the remainder of the contract without the unconscionable part; (c) limit the application of, or revise or alter, any unconscionable part to avoid unconscionable result.

Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong) (the "CECO")

The CECO limits the extent to which civil liability for breach of contract, or for negligence or other breach of duty, can be avoided by means of contract terms and otherwise.

Under section 7 of the CECO, a person cannot by reference to any contract term or to a notice given to persons generally or to particular persons exclude or restrict his liability for death or personal injury resulting from negligence. Further, in the case of other loss or damage, a person cannot so exclude or restrict his liability for negligence except in so far as the term or notice satisfies the requirement of reasonableness.

Under section 8 of the CECO, as between contracting parties where one of them deals as consumer or on the other's written standard terms of business, as against that party, the other cannot by reference to any contract term (i) when himself in breach of contract, exclude or restrict any liability of his in respect of the breach; (ii) claim to be entitled to render a contractual performance substantially different from that which was reasonably expected of him; or (iii) claim to be entitled in respect of the whole or any part of his contractual obligation, to render no performance at all, except in so far as the contract term satisfies the requirement of reasonableness.

Under section 9 of the CECO, a person dealing as consumer cannot by reference to any contract term be made to indemnify another person (whether a party to the contract or not) in respect of liability that may be incurred by the other for negligence or breach of contract, except in so far as the contract term satisfies the requirement of reasonableness.

In relation to a contract term, the requirement of reasonableness for the purposes of the CECO is satisfied only if the court or arbitrator determines that the term was a fair and reasonable one to be included having regard to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made.

Misrepresentation Ordinance (Chapter 284 of the Laws of Hong Kong) (the "MO")

The MO imposes a statutory liability for misrepresentation and controls the use of provisions excluding liability for misrepresentation in contracts. Liability may arise under the MO where a party to a contract is induced to enter into that contract by a misrepresentation of a material fact made by the other party. If the action is successful, the party who relied on the misrepresentation will be entitled to rescind the contract. Damages may also be granted if the misrepresentation was made fraudulently or negligently.

Regulations Relating to Importation and Exportation of Goods

The Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong) (the "**Import and Export Ordinance**") provides for the regulation and control of the import of articles into Hong Kong, the export of articles from Hong Kong, the handling and carriage of articles within Hong Kong which have been imported into Hong Kong or which may be exported from Hong Kong, and any matter incidental to or connected with the foregoing.

The import and export of certain articles are prohibited unless with the relevant licences issued by the Director-General of Trade and Industry. If the goods to be imported or exported are "prohibited articles" or "reserved commodities" under the Import and Export Ordinance and the Reserved Commodities (Control of Imports, Exports and Reserve Stocks) Regulations (Chapter 296A of the Laws of Hong Kong), shipping companies, airlines and transportation companies are required to deliver within 14 days to the Director-General of Trade and Industry the import/export licences together with the relevant manifests of the vessel, aircraft or vehicle.

Pursuant to the Import and Export (Registration) Regulations (Chapter 60E of the Laws of Hong Kong), every person who imports/exports any article other than an exempted article shall lodge with the Commissioner an accurate and complete import/export declaration relating to such article using services provided by a specified body, in accordance with the requirements that the Commissioner of Customs and Excise may specify. Every declaration required to be lodged shall be lodged within 14 days after the importation/exportation of the article to which it relates.

Hong Kong is a free port and does not levy any customs tariff on imports and exports.

Regulations Relating to Taxes

Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "IRO")

Under the IRO, for a company carrying on a trade, profession or business in Hong Kong, its assessable profits arising in or derived from Hong Kong shall be chargeable to profits tax.

The IRO also provides for the obligation to do the followings: (a) to keep sufficient records of the company's income and expenditure to enable the assessable profit to be readily ascertained for at least 7 years; (b) to inform the Inland Revenue Department of its chargeability to tax; (c) to submit tax return as required; and (d) to inform the Inland Revenue Department of the commencement and cessation of employment of its employees.

Regulations Relating to Intellectual Properties

Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong)

The Trade Mark Ordinance protects registered trademarks. The duration of the registered trademarks is for ten years, which can be further renewed for ten years per renewal. A registered trade mark may be challenged in revocation proceedings if it is not used in Hong Kong for a continuous period of three years.

A person infringes a registered trade mark if he uses in the course of trade or business a sign:

(1) which is identical to the trade mark in relation to goods or services which are identical to those for which it is registered;

(2) which is identical to the trade mark in relation to goods or services which are similar to those for which it is registered, and the use of the sign in relation to those goods or services is likely to cause confusion on the part of the public;

(3) which is similar to the trade mark in relation to goods or services which are identical or similar to those for which it is registered and the use of the sign in relation to those goods or services is likely to cause confusion on the part of the public; or

(4) which is identical or similar to the well-known trade mark in relation to any goods or services, and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or repute of the trade mark.

OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN SWEDEN

Laws and Regulations Relating to our Business

The Swedish Sale of Goods Act (*Sw.* Köplagen (1990:931)) applies to the sale of goods between businesses (B2B). The Product Liability Act (PLA) (*Sw.* Produktansvarslagen (1992:18)) regulates a producer's liability for damage caused by a defective product. No material changes have been implemented during the Review Period or are expected in the near term.

By December 9, 2026, the new EU Product Liability Directive must be transposed into national legislation, and the implementation in Sweden is underway. An important forthcoming change is the new directive's expanded definition of "product", which expressly includes software. The forthcoming revised PLA should be expected to result in a broader scope of application with respect to the Company's business.

The EU Machinery Directive regulates health and safety aspects for machinery placed on the EU market. In Sweden, the directive is implemented through and regulated by the Swedish Work Environment Authority's (WEA) provision on machinery (WEA provision). It should be noted that a new EU regulation on machinery has entered into force and will become fully applicable on January 20, 2027. In general, the new regulation does not entail a significant revision Consequently, the risk of non-compliance shall be deemed low.

The Radio Equipment Directive (RED), together with the Swedish Act on Radio Equipment (*Sw*. Radioutrustningslag (2016:392)) implementing the directive, and the Post and Telecom Authority's provisions on radio equipment (PTA provision), include safety requirements for radio equipment. No material changes have been implemented during the Review Period or are expected in the near term.

The EU General Data Protection Regulation (GDPR), governing the processing of personal data, applies in full in Sweden. Given the Company's business activities, and particularly its focus on innovative technologies and robotics, there is an elevated risk of attracting regulatory attention. Non-compliance with the GDPR may result in a fine, where the type and the severity of the breach will determine the amount of the fine.

The EU Data Act regulates access to, and use of, data generated by connected products and related services. As of September 12, 2025, the majority of the regulation's obligations began to apply, and additional provisions will apply from September 12, 2026. Considering Sveaverken's activities, it is highly likely that its products fall within the scope of the Data Act. The applicability of the Data Act's requirements has not yet been assessed by the Company. Consequently, the risk of non-compliance must be deemed high. As Sweden is still in the initial stages of implementing specific penalties and enforcement measures, potential sanctions, including the likelihood that they will be imposed, cannot presently be evaluated.

The Swedish Cybersecurity Act, which transposes the EU NIS2 Directive into Swedish law, entered into force on 15 January 2026. Given Sveaverken's provision of high-tech products, it is likely that Sveaverken falls within the scope of the Act. Non-compliance may result in administrative fines and injunctions. As enforcement practice under the Act has not yet developed, the likelihood and extent of potential sanctions cannot presently be assessed. Further regulations supplementing the Act are expected to enter into force during 2026.

The EU AI Act introduces comprehensive regulations aimed at ensuring the safe and trustworthy deployment of AI technologies. Publicly available sources suggest that certain Sveaverken products include AI technology. The AI Act is set to be implemented gradually, and the first key provisions became applicable on February 2, 2025, while most of the remaining substantive obligations will become enforceable as of August 2, 2026. Sweden is still in the initial stages of implementing specific penalties and enforcement measures, and no rules or regulations regarding sanctions under the AI Act have yet been published.

Laws and Regulations Relating to Governance

The Swedish Companies Act (*Sw.* Aktiebolagslagen (2005:551)) governs the formation, governance, management, and dissolution of Swedish limited liability companies and sets out the rules for board structure, shareholder rights, annual meetings, and reporting.

Laws and Regulations Relating to Tax and Financials

The Swedish Annual Accounts Act (*Sw.* Årsredovisningslagen (1995:1554)) regulates the preparation, content, and publication of annual accounts and consolidated financial statements. The Swedish Income Tax Act (*Sw.* Inkomstskattelagen (1999:1229)) regulates how the taxable profit is to be calculated. The Swedish Tax Procedure Act (*Sw.* Skatteförfarandelagen (2011:1244)) contains rules regarding, *inter alia*, the deadline for filing the income tax return, withholding of preliminary tax, submission of control statements to the Swedish Tax Agency, and the rules on tax surcharges. The Social Contributions Act (*Sw.* Socialavgiftslag (2000:980)) and the Act on General Payroll Tax (*Sw.* Lag (1994:1920) om allmän löneavgift) contain provisions concerning the obligation to pay employers' social security contributions and the general payroll tax, respectively. The Swedish Value Added Tax Act (*Sw.* Mervärdesskattelag (2023:200)) determines who qualifies as a taxable person, sets out the rules for determining the place of a VAT-able transaction, what constitutes the chargeable event, the taxable amount, and the applicable VAT rates. The VAT Directive (2006/112/EC) forms the basis for Sweden's domestic VAT legislation. The Directive is primarily relevant for the interpretation/application of the Swedish Value Added Tax Act (2023:200), which is the legislation directly applicable to the Company. The Swedish Customs Act *(Sw. Tullagen (2016:253))* regulates, *inter alia,* classification, origin and customs value in respect of import and export. The aforementioned acts are relatively extensive statutes that are amended on an ongoing basis. No material changes assessed as relevant to the Company have been made during the Review Period, nor are any expected in the near term.

Laws and Regulations Relating to Employment

The Swedish Employment Protection Act (*Sw.* Lagen om anställningsskydd (1982:80)) governs employment contracts, termination, and employee rights. The Swedish Employment Protection Act underwent major reforms in 2022 to increase flexibility and security in the labour market. The Swedish Work Environment Act (*Sw.* Arbetsmiljölagen (1977:1160)) regulates workplace health and safety. The Swedish Annual Leave Act (*Sw*. Semesterlagen (1977:480)) regulates employees' rights to paid vacation. The Swedish Working Hours Act (*Sw.* Arbetstidslagen (1982:673)) sets limits on how much employees can work and regulates rules about overtime, rest periods, breaks, and record-keeping requirements for employers. The Swedish Act on Co-Determination in the Workplace (*Sw*. Lag (1976:580) om medbestämmande i arbetslivet) establishes the framework for employee participation and influence in workplace decisions. No material changes have been implemented in relation to the aforementioned regulations during the Review Period, nor are any expected in the near term.

The Swedish Anti-Discrimination Act (*Sw*. Diskrimineringslagen (2008:567)) requires employers to prevent discrimination and promote equal rights. In May 2023, the EU adopted a new directive, known as the Pay Transparency Directive. The new regulations will mainly result in changes to the Swedish Anti-Discrimination Act, and the rules are set to enter into force on June 1, 2026. The risk that the Company will be considered non-compliant with the new regulation should be regarded as low.

Collective bargaining agreements concerning blue-collar employees (*Sw.* Teknikavtalet, IF Metall/Teknikföretagen) and white-collar employees (*Sw.* Teknikavtalet, Unionen/Sveriges Ingenjörer/Ledarna)

The above-mentioned collective bargaining agreements regulate essential employment conditions such as salaries, working hours, overtime pay, holiday entitlements, pension plans and insurance coverage. These agreements require employers to comply with negotiated terms that often exceed statutory requirements.