PRC REGULATORY OVERVIEW

We develop, manufacture and sell a wide variety of PCB products. This section sets out a summary of the most important PRC laws, regulations and policies to which we are subject.

REGULATIONS RELATING TO PCB

Pursuant to the *Standard Conditions for the Printed Circuit Board* (《印製電路板行業規範條件》) (the "**Standard Conditions**") and *Interim Measures for the Administration of Announcement of Standard of Printed Circuit Board* (《印製電路板行業規範公告管理暫行辦法》) promulgated by the Ministry of Industry and Information Technology of the PRC (the "**MIIT**") on December 28, 2018 and came into effect on February 1, 2019, the MIIT is responsible for the administration of industry standard announcements for the PCB. PCB enterprises on the announcement list shall organize their production and operation activities in accordance with the requirements of the Standard Conditions, covering aspects such as industrial layout and project construction, production scale and process technology, quality management, intelligent manufacturing, green manufacturing, energy and land conservation, comprehensive resource utilization and environmental protection, work safety and occupational health and social responsibility, and conduct self-inspections in accordance with the requirements of the Standard Conditions.

On December 27,2023, the National Development and Reform Commission of the PRC (the "**NDRC**") promulgated the *Adjustment of Industrial Structure Guidance Catalog (2024 version)* (《產業結構調整指導目錄(2024年本)》), and became effective on February 1, 2024, which is composed of three categories: encouraged, restricted, and eliminated. The Encouraged Category primarily includes technologies, equipment, and products that significantly promote economic and social development. The high-density interconnect substrates, single-layer, double-layer, and multilayer flexible boards, rigid-flex PCBs and IC substrates, high-density fine-line flexible circuit boards (line width/spacing ≤ 0.05 mm), high-frequency microwave PCBs, high-speed communication circuit boards and flexible circuit boards are classified as the information industry and belong to the encouraged category.

REGULATIONS RELATING TO COMPANIES AND FOREIGN INVESTMENT

The *Company Law of the PRC* (《中華人民共和國公司法》) (the "**Company Law**") was passed by the Standing Committee of the National People's Congress (the "**SCNPC**") on December 29, 1993, came into effect on July 1, 1994 and was last amended on December 29, 2023, came into effect on July 1, 2024. The articles of association of a listed company shall, in addition to complying with the items required to be specified in the articles of association of a company limited by shares, in accordance with the provisions of laws and administrative regulations, also set forth the composition and functions of the special committees of the board of directors, as well as stipulate matters such as the compensation assessment mechanisms for directors and senior management personnel.

Guidance Catalog of Industries for Foreign Investment

On December 15, 2025, the Ministry of Commerce of the PRC (the "**MOFCOM**") and the NDRC released the *Encouraged Industry Catalogue for Foreign Investment (2025 Edition)* (《鼓勵外商投資產業目錄(2025年版)》), which became effective on February 1, 2026, and stipulates that high-density interconnect laminates, single-layer, double-layer and multilayer flexible boards, rigid-flex PCBs, high-density and fine-line (line width/line spacing ≤ 0.05mm) flexible circuit boards and IC packaging substrates fall under the national encouraged industry catalogue for foreign investment.

On September 6, 2024, the MOFCOM and the NDRC released the *Special Administrative Measures for Access of Foreign Investment* (2024 Version) (《外商投資准入特別管理措施(負面清單) (2024年版)》) (the "**Negative List 2024**"), which became effective on November 1, 2024. Any industry not listed on the Negative List 2024 is a permitted industry and generally accessible to foreign investment unless specifically prohibited or restricted by any PRC laws or regulations. Our principal business operations do not fall under the "restricted" category or the "prohibited" category under the Negative List 2024.

The Foreign Investment Law

On March 15, 2019, the National People's Congress (the "**NPC**") promulgated the *Foreign Investment Law of the PRC* (《中華人民共和國外商投資法》), which became effective on January 1, 2020, and sets out the definition of foreign investment and the framework for promotion, protection and administration of foreign investment activities. On December 26, 2019, the State Council promulgated the *Implementation Regulations on the Foreign Investment Law* (《中華人民共和國外商投資法實施條例》), which became effective on January 1, 2020, further requires that foreign-invested enterprises (the "**FIEs**") and domestic enterprises be treated equally with respect to participation in standard setting. On December 30, 2019, the MOFCOM and the SAMR jointly issued the *Measures for Reporting of Foreign Investment Information* (《外商投資信息報告辦法》) (the "**Foreign Investment Information Measures**"), which came into effect on January 1, 2020. Starting from January 1, 2020, foreign investors and FIEs in the PRC shall submit information relating to their investment through the Enterprise Registration System and the National Enterprise Credit Information Publicity System established by the SAMR by submitting initial reports of establishment, reports on changes to the investment, reports on termination of the investment and annual investment reports in accordance with the Foreign Investment Information Measures. On May 5, 2026, the State Council issued the Provisions of the State Council on Outbound Investment (《國務院關於對外投資的規定》), which will become effective on July 1, 2026 and aims to promote high-quality outbound investment by improving service, management, and protection systems, and authorizes the Chinese government to take countermeasures and investigations against foreign investment barriers and discriminatory practices.

REGULATIONS RELATING TO PRODUCTION SAFETY

On June 29, 2002, the SCNPC promulgated the *Production Safety Law of the PRC* (《中華人民共和國安全生產法》) (the "**Production Safety Law**"), which was recently amended by the SCNPC on June 10, 2021 and became effective on September 1, 2021. According to the Production Safety Law, enterprises that are engaged in production and business activities shall abide by the relevant laws and regulations concerning work safety, strengthen work safety management, establish and improve the all-staff work safety responsibility system and work safety rules and regulations, increase investment in funds, materials, technologies and personnel for work safety, improve the conditions for work safety, strengthen the standardized and information technology development of work safety, 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, and improve the level of work safety so as to ensure workplace safety. The safety facilities of a producer or business operator for engineering projects to be built, renovated or expanded shall be designed, constructed, and put into operation and use simultaneously with the principal part of the projects. Investments in safety facilities shall be included in the budgetary estimates for the construction projects. Any entity that fails to provide required production safety conditions is prohibited from engaging in production activities.

REGULATIONS RELATING TO PRODUCT QUALITY

According to the *Product Quality Law of the PRC* (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993 and amended with immediate effect on December 29, 2018, producers shall: (i) be responsible for the quality of the products they produce; (ii) not produce products that have been explicitly eliminated by the state; (iii) not forge the place of origin, forge or falsely use the name and address of another person's factory; and not forge or fraudulently use quality marks such as certification marks; (iv) not produce or market adulterated products or use fake goods as genuine or sub-standard products as standard; and (v) ensure that the packaging quality of fragile, flammable, explosive, toxic, corrosive, radioactive and other dangerous goods, products that cannot be inverted during storage and transportation and other products with special requirements meets the corresponding requirements, and make warning signs or warning instructions in Chinese, or indicate matters needing attention during storage and transportation. If a defect in the product causes damage to the person or property of others, the victim may claim compensation from the producer of the product or from the seller of the product. Producers or sellers who produce or sell substandard products will be ordered to cease production and sales, the illegally produced or sold products will be confiscated, and a fine will be imposed. If there is any illegal income, the illegal income will also be confiscated. If the circumstances are serious, the business license shall be revoked. If a crime is constituted, criminal responsibility shall be investigated in accordance with law.

REGULATIONS RELATING TO THE IMPORT AND EXPORT OF GOODS AND TECHNOLOGY

According to the *Foreign Trade Law of the PRC* (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, which was recently amended on December 27, 2025 and became effective on March 1, 2026, and the *Notice of the Department of Enterprise Management and Inspection on Matters Related to the Record-filing of Consignors and Consignees of Import and Export Goods* (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》) published by the General Administration of Customs of the PRC (the "**GAC**") with immediate effect on January 3, 2023, if consignors and consignees of import and export goods apply for record-filing, they shall obtain the market entity qualification and are not required to obtain the record-filing of foreign trade business operators. For technologies that fall under the category of free import and export, the contract record-filing and registration formalities shall be handled with the foreign trade department in charge under the State Council or the institutions entrusted by it.

According to the *Customs Law of the PRC* (《中華人民共和國海關法》), promulgated by the SCNPC on January 22, 1987, implemented on July 1, 1987, and latest amended and took effect on April 29, 2021, unless otherwise provided, import and export goods may be handled by the consignors and consignees of the import and export goods themselves for customs declaration and tax payment procedures, or they may entrust customs declaration enterprises to handle customs declaration and tax payment procedures. According to the *Administrative Provisions of the Customs of the PRC on Filing of Customs Declaration Entities* (《中華人民共和國海關報關單位備案管理規定》) promulgated by the GAC on November 19, 2021, which became effective on January 1, 2022, customs declaration entities shall refer to the customs declaration enterprise and the consignor or consignee of imported and exported goods under the provisions. Customs declaration entities may conduct customs declaration business within the customs territory of the PRC. An application for the record-filing of a consignor or consignee of imported and exported goods or a customs declaration enterprise shall obtain the qualification of market entity eligibility.

REGULATIONS RELATING TO CONSTRUCTION AND ENVIRONMENTAL PROTECTION

According to the *Urban and Rural Planning Law of the PRC* (《中華人民共和國城鄉規劃法》) which was promulgated by the SCNPC with effect from January 1, 2008 and recently amended with immediate effect on April 23, 2019, the *Construction Law of the PRC* (《中華人民共和國建築法》) which was promulgated by the SCNPC with effect from March 1, 1998 and recently amended with immediate effect on April 23, 2019, the *Measures for Administration of Construction Permits for Construction Projects* (《建築工程施工許可管理辦法》) which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC on June 25, 2014 and recently amended with immediate effect on March 30, 2021, and the *Regulation on Quality Management of Construction Projects* (《建設工程質量管理條例》) which was promulgated on January 30, 2000 and amended with immediate effect on April 23, 2019, for construction activities within statutory planning areas, the construction entity must obtain the Land Use Planning Permit and the Construction Project Planning Permit from the county-level urban-rural planning authority, as well as the Construction Permit from the municipal or county-level housing authority, before commencing construction. Upon completion, the entity shall organize the design, construction, supervision, and other relevant entities to carry out the acceptance inspection.

According to the Ecological and Environmental Code of the PRC (《中華人民共和國生態環境法典》) adopted by the NPC on March 12, 2026 and will become effective on August 15, 2026, the *Environmental Protection Law of the PRC* (《中華人民共和國環境保護法》) promulgated by the SCNPC on December 26, 1989, amended on April 24, 2014 and became effective on January 1, 2015, the *Environmental Impact Assessment Law of the PRC* (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002 and recently amended with immediate effect on December 29, 2018 and other relevant environmental laws and regulations, entities that generate environmental pollution and other public hazards must incorporate environmental protection measures into their plans and establish a responsibility system. Construction projects shall undergo environmental impact assessment (EIA) accordingly. Projects with significant environmental impact shall prepare an EIA report; those with less severe impact shall prepare an EIA form; those with minor impact need only complete a registration form without formal EIA.

REGULATIONS RELATING TO THE MANAGEMENT OF LEASE HOUSING

Pursuant to (i) *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》), promulgated by the SCNPC on July 5, 1994 and was last amended on August 26, 2019 and became effective on January 1, 2020, and (ii) *the Administrative Measures on Leasing of Commodity Housing* (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development of the People's Republic of China (the "MOHURD") on December 1, 2010 and became effective on February 1, 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located. If the lessor and lessee fail to go through the registration and filing procedures, both lessor and lessee may be subject to fines.

REGULATIONS RELATING TO OVERSEAS INVESTMENT

The *Measures for Overseas Investment Management* (《境外投資管理辦法》) was promulgated by the MOFCOM on March 16, 2009, which was amended on September 6, 2014 and came into effect on October 6, 2014. If the overseas investments involve sensitive countries and regions or industries, they shall be subject to the approval of competent authorities. For other overseas investments, they shall be subject to filing administration.

The Administrative Measures for Outbound 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. The scope of projects subject to approval-based administration includes sensitive projects carried out by investment entities directly or through their controlled overseas enterprises. The approval authority is the NDRC. The scope of projects subject to record-filing management includes non-sensitive projects directly carried out by investment entities, non-sensitive projects involving the direct contribution of assets, equity interests, or the provision of financing or guarantees by the investment entity.

REGULATIONS RELATING TO FOREIGN EXCHANGE ADMINISTRATION

On December 24, 2025, the People's Bank of China and the SAFE issued the *Notice of the Management of Funds Raised by Overseas Listings of Domestic Enterprises* (《中國人民銀行國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), which became effective on April 1, 2026, and stipulates that domestic enterprises listed overseas, within 30 working days from the first trading day after the overseas listing, shall apply for overseas listing registration with the bank located in their registered province. The funds raised from overseas listings by domestic enterprises shall, in principle, be remitted into the PRC in a timely manner. If they are retained overseas for businesses such as overseas direct investment, overseas securities investment, or overseas lending, the approval or filing documents from the competent authorities must be obtained prior to the date of completion of the overseas issuance or the over-allotment, and it should comply with the relevant cross-border fund management regulations. According to the *Foreign Exchange Business Guidelines for Capital Account (2024 version)* 《資本項目外匯業務指引(2024年版)》promulgated by the SAFE on April 3, 2024, and implemented on May 6, 2024, funds raised by domestic companies through overseas listings shall be consistent with the relevant content disclosed in public documents such as prospectuses, corporate bond issuance documents, shareholder circulars, or board of directors or shareholders' meeting resolutions.

REGULATIONS RELATING TO LABOR, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Labor Contract

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 became effective on January 1, 1995, which was and recently amended on December 29, 2018 and became effective on the same day, 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 and recently amended on December 28, 2012 and became effective on July 1, 2013, and the *Implementation Rules of the Labor Contract 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 with immediate effect on September 18, 2008, a written employment contract shall be entered into to create an employment relationship. If an employer fails to enter into a written employment contract with an employee within one year from the date on which the employment relationship is created, the employer must enter into a written employment contract with the employee and pay the employee an amount equal to twice such employee's salary for the period from the day following the lapse of one month from the date of the creation of the employment relationship to the day prior to the execution of the written employment contract.

Social Insurance and Housing Provident Fund

According to the *Social Insurance Law of the PRC* (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010 and amended with immediate effect on December 29, 2018, the *Administrative Regulations on Housing Provident Fund* (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999 and recently amended with immediate effect on March 24, 2019 and the *Provisional Regulations on Collection and Payment of Social Insurance Premiums* (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and amended with immediate effect on March 24, 2019, a domestic enterprise shall pay a premium for basic pension insurance, unemployment insurance, maternity insurance, work injury insurance, basic medical insurance and housing provident fund for its employees at an appropriate percentage based on the amounts stipulated by the laws. Employers who fail to promptly contribute social insurance premiums in full amount shall be ordered by the social insurance premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a penalty for late payment 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. If the employer fails to pay the housing fund within the prescribed time, it may be ordered to pay within a certain period of time, and if it still fails to pay, compulsory enforcement by the court can be applied. According 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 by the Supreme People's Court on July 31,2025 and became effective on September 1, 2025, where the employer and the employee agree, or the employee promises the employer, that there is no need to make social insurance contributions, the people's court shall determine that such agreement or promise is invalid. Where the employer fails to make social insurance contributions in accordance with the law, and the employee requests to terminate the labor contract and claim economic compensation in accordance with item (3) of Article 38 of the *Labor Contract Law of the PRC* (《中華人民共和國勞動合同法》), the people's court shall uphold such claim.

REGULATIONS RELATING TO 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 and recently amended on October 17, 2020 and became effective on June 1, 2021, and the *Implementation Rules of the Patent Law of the PRC* (《中華人民共和國專利法實施細則》), promulgated by the State Council on June 15, 2001, invention patents are valid for twenty years, utility model patents are valid for ten years and design patents are valid for fifteen years, in each case from the date of application. The Chinese patent system adopts a "first come, first file" principle, which means that where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first. An invention or a utility model must possess novelty, inventiveness and practical applicability to be patentable. Third Parties must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the unauthorized use constitutes an infringement on the patent rights.

Trademark

According to the *Trademark Law of the PRC* (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, which was recently amended on April 23, 2019 and became effective on November 1, 2019, registered trademarks are valid for 10 years from the date the registration is approved. A registrant may apply to renew a registration within 12 months before the registration expiration date. If the registrant fails to apply in a timely manner, a grace period of 6 additional months may be granted. If the registrant fails to apply before the grace period expires, the registered trademark shall be deregistered. Renewed registrations are valid for 10 years. On April 29, 2014, the State Council issued the revised *Implementing Regulations of the Trademark Law of the PRC* (《中華人民共和國商標法實施條例》), which became effective on May 1, 2014 and specifies the requirements for the application of trademark registration and renewal.

Copyright

On September 7, 1990, the SCNPC promulgated the *Copyright Law of the PRC* (《中華人民共和國著作權法》) (the "**Copyright Law**"), which was amended on November 11, 2020. According to the Copyright Law, Chinese citizens, legal persons and organizations shall own copyright to their copyrightable works, regardless of whether such works are published or not, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. Copyright owners enjoy certain legal rights, including the right of publication, right of authorship and right of reproduction. An infringer of copyrights shall be subject to various civil liabilities, which include ceasing infringement activities, apologizing to the copyright owners and compensating the loss of copyright owner. An infringer of copyrights may also be subject to fines and/or administrative or criminal liabilities under certain circumstances. In order to further implement the *Regulations on Computer Software Protection* (《計算機軟件保護條例》) which was recently amended on January 30, 2013 and became effective on March 1, 2013, the National Copyright Administration issued the *Measures for the Registration of Computer Software Copyright* (《計算機軟件著作權登記辦法》) on February 20, 2002, which was amended on July 1, 2004 and specifies detailed procedures and requirements with respect to the registration of software copyrights.

Domain Names

According to the *Administrative Measures for Internet Domain Names* (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and became effective from 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 services. 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 RELATING TO TAXATION

Enterprise Income Tax

According to the *EIT Law of the PRC* (《中華人民共和國企業所得稅法》) amended by the SCNPC and became effective on December 29, 2018, and the *Implementation Rules of the EIT Law of the PRC* (《中華人民共和國企業所得稅法實施條例》) amended by the State Council on December 6, 2024 and became effective on January 20, 2025, an enterprise which is established within the PRC in accordance with the laws or established in accordance with any laws of the foreign country (region) but with an actual management entity within the PRC shall be regarded as a resident enterprise. A resident enterprise shall be subject to an EIT of 25% of any income generated within or outside the PRC. Preferential enterprise income tax is granted to industries and projects that are supported and encouraged by the country. For high and new technology enterprises that need the support of the country are entitled to enjoy the reduced enterprise income tax rate of 15%.

Value-added Tax

On December 25, 2024, the SCNPC promulgated the *Value-Added Tax (the "**VAT**") Law of the PRC* (《中華人民共和國增值稅法》), which became effective on January 1, 2026, and stipulates that enterprises and individuals selling goods, services, intangible assets, or immovable property within the territory of the PRC, as well as importing goods, shall be taxpayers of value-added tax. The VAT rate for taxpayers selling goods, processing, repair and fitting services, and tangible movable property leasing services, as well as for importing goods, shall be 13%. Unless otherwise stipulated by the State Council, the VAT rate for exported goods shall be zero percent.

Pursuant to the *Announcement on the Additional Deduction Policy for Value-Added Tax of Advanced Manufacturing Enterprises* (《財政部、稅務總局關於先進製造業企業增值稅加計抵減政策的公告》) issued by the MOF and the SAT on September 3, 2023, which took effect on January 1,2023, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct an additional 5% of the deductible input value-added tax from their payable value-added tax amount.

Taxation on Dividends

Individual Investors

Pursuant to the *Individual Income Tax Law of the PRC* (《中華人民共和國個人所得稅法》) (the "**IIT Law**"), which was promulgated by the SCNPC on September 10, 1980, and was most recently amended on August 31, 2018, and effective on January 1, 2019, and the *Implementation Regulations of the IIT Law* (《中華人民共和國個人所得稅法實施條例》), which was most recently amended on December 18, 2018, and effective on January 1, 2019 by the State Council, dividends distributed by PRC enterprises are subject to individual income tax levied at a flat rate of 20%. At the same time, according to the *Notice on Issues Concerning Differentiated IIT Policies for Dividends and Bonuses of Listed Companies* (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the MOF, the SAT and the CSRC on September 7, 2015, and effective on September 8, 2015, which was partially abolished by the MOF, the SAT and the CSRC where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempt from IIT; where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for one month or less, the full amount of such income from dividends shall be included in taxable income; if the individual holds the stocks for one month to one year, 50% of such income from dividends shall be included in taxable income; the aforesaid income is subject to an IIT at a flat rate of 20%.

Enterprise Investors

In accordance with the *EIT Law of the PRC* (《中華人民共和國企業所得稅法》), which was promulgated by the SCNPC on March 16, 2007, and was most recently amended with immediate effect on December 29, 2018, and the *Implementing Rules of the EIT Law* (《中華人民共和國企業所得稅法實施條例》) most recently amended on December 6, 2024, the rate of EIT shall be 25%. A non-resident enterprise is generally subject to a 10% EIT on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise.

REGULATIONS RELATING TO BONDED ZONES

According to the *Several Opinions of the State Council on Promoting the High Level Opening-up and High-Quality Development of Comprehensive Bonded Zones*(《國務院關於促進綜合保稅區高水平開放高質量發展的若干意見》) issued and implemented by the State Council on January 12, 2019, customs business approval procedures shall be simplified to support enterprises within comprehensive bonded zones in self-filing, reasonably self-determining the verification cycle, self-reporting, and independently making up tax payments.

Entry and exit management shall be simplified. A facilitated management mode for entry into and exit from the zones is permitted for goods and articles entering from domestic areas that do not involve export tariffs, do not involve trade control certificates, do not require tax refunds, and are not included in customs statistics. The flow of goods shall be facilitated. Intelligent supervision means shall be applied, supervision modes shall be innovated, business processes shall be simplified, automatic data comparison and automatic gate release shall be implemented, direct point-to-point circulation of bonded goods shall be achieved, operating costs shall be reduced, and supervision efficiency shall be enhanced. According to the *Measures of the People's Republic of China for Customs of Comprehensive Bonded Zones* (《中華人民共和國海關綜合保稅區管理辦法》) issued by the GAC on January 1, 2022, implemented on April 1, 2022, revised on October 28, 2024 and became effective on December 1, 2024, customs supervises and administers means of transport, goods and their packaging, containers, articles entering or leaving the comprehensive bonded zones, as well as enterprises within the zones in accordance with these Measures. Unless otherwise stipulated by laws or regulations, goods shipped from a comprehensive bonded zone to overseas are exempt from export tariffs. Goods moving between a comprehensive bonded zone and other special customs supervision areas such as other comprehensive bonded zones or bonded supervision venues are subject to bonded treatment. No customs duties or import-related taxes shall be levied on goods transferred between comprehensive bonded zones and other special customs supervision areas or bonded supervision venues. According to the *Announcement on Value-Added Tax and Consumption Tax Policies for Export Business* (《關於出口業務增值稅和消費稅政策的公告》) issued by the MOF and the SAT on January 30, 2026, and effective from January 1, 2026, goods declared through Customs by export enterprises that enter into a state-approved bonded port area, comprehensive bonded zone, Zhuhai Park of the Zhuhai-Macao Cross-Border Industrial Zone or bonded logistics center (Type B) (collectively referred to as "special areas"), and are sold to entities or individuals within such special areas or to overseas entities or individuals, shall be regarded as export goods.

REGULATIONS ON SECURITIES AND OVERSEAS LISTINGS

Securities Laws and Regulation

The *Securities Law of the PRC* (《中華人民共和國證券法》), which was promulgated by the SCNPC on December 29, 1998, and was amended on December 28, 2019 and took effect on March 1, 2020, comprehensively regulating activities in the Chinese Mainland securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

Overseas Listing

On February 17, 2023, the CSRC promulgated the *Trial Administrative Measures of the 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 circulated five supporting guidelines (collectively, the "**Filing Rules**"), which has become effective on March 31, 2023. The Filing Rules has comprehensively improved and reformed the regulatory regime for overseas offering and listing of the PRC domestic companies' securities and regulate both direct and indirect overseas offering and listing of the PRC domestic companies' securities by adopting a filing-based regulatory regime. The Filing Rules apply to all overseas equity financing and listing activities of PRC domestic companies, including initial and follow-on offerings of shares, depository receipts, convertible corporate bonds, or other equity instruments and trading of securities in overseas market.

The Filing Rules provides that no overseas offering and listing shall be made under any of the following circumstances: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) 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; (iii) 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; (iv) 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; or (v) 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. Additionally, the Filing Rules stipulates that after an issuer has offering and listing securities in an overseas market, the issuer shall submit a report to the CSRC within 3 working days after the occurrence and public disclosure of (i) a change of control thereof; (ii) investigations of or sanctions imposed on the issuer by overseas securities regulators or relevant competent authorities; (iii) changes of listing status or transfers of listing segment; and (iv) a voluntary or mandatory delisting. Overseas offering and listing by domestic companies shall be made in strict compliance with relevant laws, administrative regulations and rules concerning national security in spheres of foreign investment, cybersecurity, data security and etc., and duly fulfill their obligations to protect national security.

On February 24, 2023, the CSRC and three other relevant government authorities jointly promulgated the *Provisions on Strengthening the Confidentiality and Archives Administration Related to the 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》), which became effective on March 31, 2023. Pursuant to the *Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises*, where a domestic enterprise provides or publicly discloses any document or material that involving state secrets and working secrets of state agencies to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and approval authority for approval in accordance with the law, and submit to the secrecy administration department of the same level for filing. The working papers formed within the territory of the Chinese Mainland by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the Chinese Mainland. Cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

OTHER REGULATIONS

Information Disclosure

A listed company shall establish a sound information management system in accordance with the regulatory requirements of the securities authorities, market practice, its specific circumstances, and the general information disclosure requirements for listed companies, such as the *Administrative Measures for the Disclosure of Information of Listed Companies* (《上市公司信息披露管理辦法》) promulgated by the CSRC on January 30, 2007, which was most recently amended on March 26, 2025 and became effective on July 1, 2025.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THAILAND

Civil and Commercial Code

The Civil and Commercial Code of Thailand, as amended (the "**CCC**"), serves as a cornerstone legal framework governing a broad spectrum of legal matters, including, but not limited to: property law, corporate law, family law, inheritance law, contract law, and commercial law. Corporate law, and particularly shareholding regulations, is one of the key areas addressed by the CCC.

Foreign Business Act

The Foreign Business Act B.E. 2542 (1999), as amended (the "**FBA**"), is the most important law governing foreigners' participation in businesses in Thailand. Although there is no limit to the percentage of shares that foreign investors may own in a limited company, if half or more than half of a company's shares are held by non-Thai individuals and/or juristic persons, it will be considered a foreign-majority-owned company and subject to the FBA. Under the FBA, foreign-majority-owned companies are subject to various restrictions when conducting certain business activities in Thailand. Such business activities are divided into 3 (three) lists, i.e., List 1, List 2, and List 3. List 3 includes, among others, all service businesses, wholesale, retail, etc. For the restricted business activities indicated in List 3, a foreign-majority-owned company may apply for a Foreign Business License ("**FBL**") with the approval of the Foreign Business Committee, the Ministry of Commerce. Alternatively, a foreign-majority-owned company can opt to pursue a Foreign Business Certificate ("**FBC**"), which is a notification process and not an approval process, instead of applying for an FBL, if it meets the following qualifications: (1) it qualifies for protection under an international treaty that Thailand has entered into, such as the Treaty of Amity and Economic Relations between the United States and Thailand ("**Thai-US Treaty of Amity**") in respect of the US majority shareholders and directorship requirements; or (2) it obtains an investment promotion from the Board of Investment ("**BOI**") under the Investment Promotion Act. B.E. 2520 (A.D.1977), as amended; or (3) it is located in an industrial estate, and it obtains an operational license from the Industrial Estate Authority of Thailand ("**IEAT**"). Generally, a manufacturing business (including the sale of the manufactured products) is not a restricted business under List 1, 2, or 3 of the FBA, and therefore, a foreign-majority-owned company can operate a manufacturing business, including the manufacturing of PCB without obtaining an FBL or an FBC. However, if the business structure involves acting purely as an Original Equipment Manufacturer (OEM), providing services classified as service business to other manufacturers (rather than direct manufacturing and sale of own products) and/or charge service fees, it may fall under the restricted List 3 and require a FBC or FBL.

Regulations in Relation to Investment Promotion

Investment Promotion Act B.E. 2520 (1977) ("**IPA**") aims to promote certain businesses or projects in Thailand that contribute to the country's economic growth, provided that these businesses are deemed important and beneficial to economic and social development. Under the IPA, the BOI has the authority to assess and grant BOI promotion to businesses that meet the criteria specified under the IPA. The IPA offers investment promotion in various aspects, including tax incentives, permitting to hire skilled workers, land ownership rights and tax benefits related to import of raw materials and machinery.

Factory Act

The Factory Act B.E. 2535 (1992) (the "**FA**"), as amended, is the primary legislation that regulates the establishment, operation, expansion, safety, and environmental impact of industrial facilities in Thailand. The FA is administered by the Department of Industrial Works (the "**DIW**") of the Ministry of Industry. Under the FA, the definition of a factory generally encompasses any premises utilizing machinery above a specified power threshold (currently 5 horsepower) or employing a minimum number of workers (currently 7 employees) for the purpose of manufacturing or processing activities, as further detailed in relevant Ministerial Regulations. Therefore, depending on the specific scale of operations (e.g., once the Company employs 50 or more employees or possesses machinery with a combined power of 50 horsepower or greater), the Company may be required to apply for and obtain a Factory Business License (Ror.Ngor.4) from the DIW before commencing operations. However, if the Company is situated in an Industrial Zone, the FA requires the Company to apply for and obtain the Kor.2 (another version of the Factory Business License that is required due to the type of industrial estate) from the DIW before commencing operations.

Labor Laws

The principal laws that govern labor matters in Thailand are the CCC Sections 575-586 — Hire of Services, which sets out the principles of the contractual relationship between the employer and the employee, as well as the Labor Protection Act B.E, 2541 ("**LPA**"). This is in addition to certain other relevant laws which primarily include: (1) The Labor Relations Act B.E. 2518 (1975), which provides for the supervision of the establishment of labor unions and other similar employer and employee associations, including their administration; (2) The Act on Establishment of Labor Courts and Labor Court Procedures B.E. 2522 (1979), which was enacted to establish the Labor Courts and their procedures, as well as to protect employees in circumstances of unfair termination; (3) The Provident Fund Act B.E. 2530 (1987); (4) The Social Security Act B.E. 2533 (1990); (5) The Workmen's Compensation Act B.E. 2537 (1994); (6) The Labor's Skills Development Act B.E. 2545 (2002); (7) The Persons with Disabilities Empowerment Act B.E. 2550 (2007); and (8)The Emergency Decree on Foreigners' Working Management B.E. 2560 (2017), which requires foreign nationals to obtain work permits prior to working in Thailand. This Act and the accompanying Royal Decree designate certain occupations that foreign nationals are excluded from undertaking. The present list contains 40 occupations that are prohibited for foreigners.

REGULATIONS IN TAIWAN RELATING TO INVESTMENT IN THE CHINESE MAINLAND

General

The Act Governing Relations between the People of the Taiwan Area and Mainland Area (台灣地區與大陸地區人民關係條例) ("**Relations Act**") covers a broad spectrum of cross-Taiwan Strait matters, including documentation verification, employment, inheritance, transportation, advertisements, business activities, and civil and criminal penalties.

The Relations Act authorized the Taiwan Ministry of Economic Affairs (**經濟部**) (the "**MOEA**") to promulgate the Permission Rules for Investment or Technical Cooperation in Mainland China (在大陸地區從事投資或技術合作許可辦法), and the Review Principles for Investments or Technical Cooperation in Mainland China (在大陸地區從事投資或技術合作審查原則) (collectively, "**Chinese Mainland Investment Approval Regulations**"). Among other things, the Chinese Mainland Investment Approval Regulations set forth a list of items in which Taiwanese Investors (as defined below) may or may not invest or cooperate with the Chinese Mainland ("**Investment List**"). Currently, the Investment List is divided into two categories: general items (一般類) and prohibited items (禁止類). "Prohibited items" are those items for which a Taiwanese Investor's investment or technical cooperation is prohibited because of reasons linked to (i) international conventions, (ii) national security, (iii) major infrastructure projects, and (iv) industrial developments (such as core technologies and essential components). Items not identified as prohibited are "general items" for which investment is permitted with prior approval from or post-investment report to the Department of Investment Review of the MOEA (the "**DIR**").

Definition of Investment in the Chinese Mainland

According to Article 3 of the Permission Rules for Investment or Technical Cooperation in Mainland China, an investment in the Chinese Mainland made by individuals with Taiwan household registrations or Taiwan-incorporated entities ("**Taiwanese Investors**") includes: (i) establishing a new company or enterprise in the Chinese Mainland; (ii) increasing capital in an existing company or enterprise in the Chinese Mainland; (iii) acquiring shareholding in an existing company or enterprise in the Chinese Mainland (excluding the purchase of shares of a listed company); and (iv) establishing or expanding a branch or enterprise in the Chinese Mainland.

Under the Chinese Mainland Investment Approval Regulations, where a Taiwanese Investor invests in a company in a third region (i.e. outside Taiwan and the Chinese Mainland) that directly or indirectly engages in any of the aforementioned investment activities in the Chinese Mainland, and such Taiwanese Investor (a) acts as a director, supervisor, manager or holds an equivalent position in such third-region company, or (b) holds more than 10% of the shares or capital contribution in such third-region company, such investment in the third-region company will also be deemed to be an investment in the Chinese Mainland under the Chinese Mainland Investment Approval Regulations. Such investment is subject to prior approval by, or post-investment report to, the DIR.

In addition, according to the rules published by the DIR, where, at the time a Taiwanese Investor invests in a third-region company, such third-region company already has any direct or indirect investment in the Chinese Mainland, such Taiwanese Investor is still required, pursuant to the Chinese Mainland Investment Approval Regulations, to apply for prior approval from, or make a post-investment report to, the DIR in respect of its investment in the Chinese Mainland, even if such Taiwanese Investor does not (a) act as a director, supervisor, manager or hold an equivalent position in such third-region company; or (b) hold more than 10% of the shares or capital contribution in such third-region company.

However, there are exemptions for listed companies on overseas or Hong Kong/Macau securities markets. According to the FAQs (常見問答集) published on the DIR's website, direct or indirect securities investments made by Taiwanese Investors in companies listed on overseas or Hong Kong/Macau securities markets require prior approval from, or post-investment report to, the DIR only if the Taiwanese Investor (a) acts as director, supervisor, manager or holds an equivalent position or (b) holds a shareholding or capital contribution of more than 10% in such third-region company.

Among our Single Largest Group of Shareholders, Mr. Wu Chuan Pin has invested in our Company through Biggering Holdings and Happy Union, and Ms. Chen May Fong and Mr. Wu Chuanlin have invested in our Company through Biggering Holdings. As advised by our Company's Taiwan legal advisor, Mr. Wu Chuan Pin has been granted permission to renounce his Republic of China nationality and therefore falls outside the scope of the Relations Act; Ms. Chen May Fong and Mr. Wu Chuanlin have each moved out of the Taiwan household registration system and therefore no longer qualify as "individuals with household registration in Taiwan" under Article 2 of the Relations Act. Accordingly, the investments in our Company by Ms. Chen May Fong, Mr. Wu Chuan Pin and Mr. Wu Chuanlin through Biggering Holdings, as well as the investment in our Company by Mr. Wu Chuan Pin through Happy Union, are currently not subject to the requirements under the aforementioned Chinese Mainland Investment Approval Regulations.

Penalty

If a Taiwanese Investor of our Company violates the Chinese Mainland Investment Approval Regulations when investing without obtaining prior approval from or making a post-investment report to the DIR, and such investment falls within the category of general items, such Taiwanese Investor would be subject to an administrative fine ranging from NT$50,000 to NT$25,000,000, and may also be ordered by the DIR to cease or rectify the violation within a prescribed period. If such Taiwanese Investor fails to cease or rectify the violation within that period, consecutive penalties may be imposed. Such penalties would not be imposed on our Company or our Company's subsidiaries in the Chinese Mainland in which such Taiwanese Investors have invested.

Approval from Taiwan Regulatory Authorities for the [REDACTED]

Our Company has [**REDACTED**] to the Stock Exchange for the [**REDACTED**] of, and permission to [**REDACTED**] in, the H Shares to be [**REDACTED**] pursuant to the [**REDACTED**] (including any additional H Shares which may be [**REDACTED**] pursuant to the exercise of the [**REDACTED**]). As advised by the Company's Taiwan legal advisor, since our Company is established in the Chinese Mainland, no approval from Taiwan regulatory authorities is required with regard to the [**REDACTED**] and the [**REDACTED**].