During the Track Record Period, we were principally engaged in the research and development, production and sales of high-performance electrolytic copper foil. Our business operations in the PRC are subject to the supervision and administration of relevant laws, regulations and government authorities. The section outlines the primary relevant laws, regulations, rules and policies that may have a material impact on our business operations in the PRC. The information contained herein shall not be interpreted as a comprehensive summary of all laws and regulations applicable to us.

The Company Law

Pursuant to the Company Law of the PRC (《中華人民共和國公司法》) (the "**Company Law**"), which was initially implemented by the Standing Committee of the National People's Congress (the "**SCNPC**") on December 29, 1993, most recently revised on December 29, 2023, and effective from July 1, 2024, both limited liability companies and companies limited by shares established within China possess legal person status. Shareholders of a limited liability company are liable to the company to the extent of their respective capital contributions, while shareholders of a company limited by shares are liable to the company to the extent of their respective subscribed shares. Unless the laws on foreign investment provide otherwise, the Company Law is also applicable to foreign-invested enterprises.

The Securities Law

The Securities Law of the PRC (中華人民共和國證券法) (the "**Securities Law**") was promulgated on December 29, 1998, last amended on December 28, 2019 and effective on March 1, 2020. This is the first national securities law in the PRC, which is divided into 14 chapters and 226 articles regulating, the issue and trading of securities, takeovers by listed companies, information disclosure, investor protection, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities. The Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the Securities Law provides that domestic enterprises issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council. Currently, the issue and trading of foreign issued shares are mainly governed by the regulations and rules promulgated by the State Council and the CSRC.

Laws and Regulations Relating to Production Safety and Product Quality

Pursuant to the Production Safety Law of the PRC (《中華人民共和國安全生產法》) was promulgated by the SCNPC on June 29, 2002, last amended on June 10, 2021 and effective on September 1, 2021, producers and business operators shall abide by this Law and other 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 work safety. Entities that do not meet the conditions for safe production shall not engage in production and operating activities.

The Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the "**Product Quality Law**") promulgated by the SCNPC on February 22, 1993 and last amended and effective on December 29, 2018 is the principal governing law related to the supervision and administration of product quality. According to the Product Quality Law, producers 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. The producer shall bear liability for compensation if a defect in a product causes physical injury or damage to property other than the defective product (hereinafter referred to as third party property), unless the producer can prove that: (1) the product has not been put into circulation; (2) the defect causing the damage did not exist when the product was put into circulation; (3) when the product was put into circulation, the level of science and technology at the time was not sufficient to detect the existence of the defect. Where a product is defective due to a mistake made by the seller and such defect causes physical injury or damage to third party property, the seller shall bear liability for compensation. If a seller is unable to identify the producer of a defective product and is also unable to identify the supplier thereof, the seller shall bear liability for compensation. If a defect in a product causes physical injury or damage to third party property, the party which was injured or incurred damage may claim compensation against the producer or may claim compensation against the seller.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") promulgated by the National People's Congress on May 28, 2020 and effective on January 1, 2021, in the event of damage caused to others due to product defect, the infringed may seek compensation from the manufacturer of the products or may also seek compensation from the seller of the products. In the event of product defects which compromise the personal and property security of others, the infringed shall have the right to request the manufacturer and the seller to bear tortious liability such as cessation of infringement, removal of obstruction, elimination of danger, etc.

Law and Regulations in Relation to Import and Export

Promulgated by The General Administration of Customs of the PRC on November 19, 2021 and effective January 1, 2022, the Administrative Provisions of the Customs of the PRC on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) stipulates that entities applying for record-filing, whether as consignors/consignees of import/export goods or as customs declaration enterprises, must hold valid market entity status. If the submitted record-filing materials are complete and comply with the requirements upon review, the Customs shall complete the filing procedures within three business days. The record-filing information will be made public via the China Customs Import and Export Credit Information Publicity Platform.

Law and Regulations in Relation to Anti-Unfair Competition

The Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) (the "**Anti-Unfair Competition Law**") was adopted by the SCNPC on September 2, 1993, last amended on June 27, 2025 and took effect on October 15, 2025. Pursuant to the Anti-Unfair Competition Law, acts of unfair competition refer to the acts of operators who, in the course of their production and operation activities, violate the provisions of the Anti-Unfair Competition Law to disrupt the order of competition in the market and harm the legitimate rights and interests of other operators or consumers. According to the Anti-Unfair Competition Law, operators shall follow the principles of voluntariness, equality, fairness and honesty in market transactions, and comply with the law and business ethics. Operators violating the provisions of the Anti-Unfair Competition Law shall be subject to civil, administrative or criminal liability depending on the circumstances.

According to the Interim Provisions of the State Administration for Industry and Commerce on Banning Commercial Bribery (《國家工商行政管理局關於禁止商業賄賂行為的暫行規定》) ("**Provisions on Banning Commercial Bribery**") issued by the former State Administration for Industry and Commerce, which came into effect on November 15, 1996, commercial bribery refers to the act of an operator bribing the other party's entity or individual by means of property or other means for the purpose of selling or purchasing commodities, of which other means refers to the provision of domestic and foreign travel, study tours in various names and other means of giving benefits other than property. According to the Anti-Unfair Competition Law and the Provisions on Banning Commercial Bribery, the supervisory and inspection departments may impose fines according to the circumstances, and confiscate any illegal income. If a crime is constituted, it will be transferred to the judicial authorities for the investigation of criminal responsibility in accordance with the law.

Laws and Regulations Relating to Intellectual Property

Patents

The Patent Law of the PRC (《中華人民共和國專利法》) (the "**Patent Law**") was adopted by the SCNPC on March 12, 1984, last amended on October 17, 2020 and took effect on June 1, 2021. Pursuant to the Patent Law, patents for inventions and utility models may be granted subject to three conditions: novelty, inventiveness and practicability. Patents are not granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds, methods used to nuclear transformation and substances obtained utilizing nuclear transformation, and designs of the pattern and the color of graphic printed matter or the combination of them that are primarily used to mark and identify. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining, and approving patent applications. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model, or a fifteen-year term for a design (the term of protection of a design patent right for which the application date is up to and including May 31, 2021 is ten years, commencing from the application date), commencing from the application date. Except for certain specific circumstances provided by law, any third-party users must obtain consent or a proper license from the patent owners to use the patent, otherwise, the use of the patent will constitute an infringement of the rights of the patent holder.

Trademarks

Registered trademarks registered in China are protected by the Trademark Law of the PRC (《中華人民共和國商標法》), adopted by the SCNPC on August 23, 1982 and latest amended on April 23, 2019 and took effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), adopted by the State Council in 2002 and amended in 2014. The Trademark Office under the State Intellectual Property Office handles the registration of trademarks, which are valid for ten years and may be renewed for another ten years upon expiry at the request of the trademark older. Trademark license agreements must be submitted to the Trademark Office for filing. A trademark license cannot be used against a bona fide third party without being filed. The Trademark Law of the PRC adopts the first-to-file principle for trademark registration. For the same or similar goods, if the application for registration of a trademark is identical or similar to a trademark registered or preliminarily examined by another person for the same or similar goods, the application for registration of such trademark will be rejected by the Trademark Office. Any person applying for registration of a trademark shall not prejudice the existing prior rights of another person or use improper means to pre-empt the registration of a trademark that has already been used by another person and has a certain degree of influence.

Domain Name

According to 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 effective on November 1, 2017, the establishment within the territory of the PRC of domain name root servers and their operating institutions, domain name registration management institutions and domain name registration service institutions shall be subject to the corresponding permit issued by the MIIT or the communication administrative bureau of the relevant province, autonomous region or municipality directly under the Central Government.

Where the application materials are complete and comply with statutory format, the telecommunication administrative authorities shall issue a notice of acceptance of application to the applicant. The validity period of the permit for domain name root server operating organizations, domain name registration management organizations and domain name registration service organizations shall be five years.

Software Copyright

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990 and latest amended on November 11, 2020 and took effect on June 1, 2021, Chinese citizens, legal persons or unincorporated organizations are entitled to copyright in their works (including computer software) in accordance with the law, regardless of whether or not they are published.

The Regulation on Protection of Computer Software (《計算機軟件保護條例》) were promulgated by the State Council on June 4, 1991 and latest amended on January 30, 2013 and took effect on March 1, 2013, respectively, with the aim of protecting the rights and interests of computer software copyright holders, adjusting the interests and relations occurring in the development, dissemination and use of computer software, encouraging the development and application of computer software, and promoting the development of software industry and informatization of our national economy. According to the Regulation on Protection of Computer Software, the PRC citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in software developed by them in accordance with the law. A software copyright owner may register with a software registration institution recognized by the copyright administration department of the State Council. The certificate of registration issued by the software registration institution shall be the preliminary evidence of the registered matters. The software copyright of a legal person or other organizations shall be protected for a period of 50 years, ending on December 31 of the 50th year after the first publication of the software; however, if the software has not been published within 50 years from the date of completion of its development, it shall no longer be protected.

Laws and Regulations Relating to Labor Employment

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) approved by the SCNPC on July 5, 1994, latest amended on December 29, 2018 and took effect on the same day, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**") approved on June 29, 2007, latest amended on December 28, 2012, and took effect on July 1, 2013, an entity shall develop and improve rules and regulations in accordance with the law to ensure that workers enjoy their labor rights and fulfill their labor obligations. A labor contract is an agreement between a worker and an entity that establishes the labor relationship and specifies the rights and obligations of both parties. An entity and a worker should enter into a written labor contract that restricts the use of temporary workers and provides workers with long-term job security.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") promulgated by the SCNPC on October 28, 2010, latest amended on December 29, 2018 and took effect on the same day, and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated and effective by the State Council on January 22, 1999, which was latest amended on March 24, 2019, an entity are required to pay social insurance for their workers in the PRC, including basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance and work injury insurance. According to the Social Insurance Law, if a company fails to fully pay its social insurance premiums within the prescribed time limit, the relevant PRC authorities may order it to make the payment within a stipulated deadline. The company may be liable for a late payment fee calculated at 0.05% of the outstanding amount per day. If the company fails to repay the outstanding premiums within the stipulated period, it may be subject to a fine ranging from one to three times the amount in arrears.

On July 31, 2025, the Supreme People's Court of the PRC promulgated the Supreme People's Court's Interpretation (II) 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)》), which took effect on September 1, 2025. Pursuant to Article 19(1) thereof, where an employer and an employee agree, or the employee undertakes, that social insurance contributions need not be paid, the People's Court shall determine that such agreement or undertaking is invalid. Furthermore, where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the PRC Labor Contract Law, the People's Court shall support such claims in accordance with the law.

According to the Administration Regulations on the Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and latest amended on March 24, 2019 and effective on the same date, entities are required to contribute to the housing provident fund for their workers. If an entity fails to undertake payment and deposit registration of housing provident fund or fails to open the housing provident fund accounts for its employees, the housing provident fund management center may order the entity to rectify it within the prescribed time limit; where failing to do so at the expiration of the time limit, a fine between RMB10,000 and RMB50,000 may be imposed by competent authorities. An entity shall timely and fully deposit housing accumulation fund, and shall not deposit it exceeding the time limit, or deposit less than it should. The contribution rate of housing funds of workers and entities may not be less than 5% of the monthly average salary in the previous year. If an entity is overdue in the payment or underpays, the housing provident fund management center shall order the entity to pay up within the prescribed time limit. If the entity still fails to pay up as scheduled, the competent administrative authority may apply to the people's court for compulsory enforcement.

Laws and Regulations Relating to Construction and Environmental Protection

According to the Law of the PRC on Urban and Rural Planning (《中華人民共和國城鄉規劃法》) which was promulgated by the SCNPC on October 28, 2007 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 on March 1, 1998 and recently amended with immediate effect on April 23, 2019 and the Regulation on Quality Management of Construction Projects (《建設工程品質管理條例》) which was promulgated by the State Council on January 30, 2000 and amended with immediate effect on April 23, 2019, the construction activities carried out in the built-up areas of cities, towns and villages as well as areas that must be under planning control for urban and rural construction and development shall be in compliance with the relevant requirements of the Urban and Rural Planning Law of the PRC. The construction entity shall obtain the construction land planning permit and the construction project planning permit from the competent department of urban and rural planning under the people's government at the county level, and shall obtain the construction permit from the competent department of housing and urban and rural construction under the people's government at municipal and county level or above of the place of the construction project before commencement of construction. After receiving the construction project completion report, the construction entity shall organize the entities of design, construction, project supervision and other relevant entities to complete the acceptance.

According to the Regulations on the Administration of Approval and Filing of Enterprise Investment Projects (《企業投資項目核准和備案管理條例》), which was promulgated by the State Council on November 30, 2016 and came into effect on February 1, 2017, projects which relate to national security or involve nationwide major productivity layout, development of strategic resources and significant public interest etc shall be subject to administration by way of approval. The scope of specific projects and the approval authorities, approval authority shall be implemented pursuant to the list of investment projects subject to government approval. The list of investment projects subject to government approval shall be proposed by the investment administrative authority of the State Council, jointly with the relevant departments of the State Council, and shall be implemented upon approval by the State Council, and shall be adjusted when appropriate. Where the State Council stipulates otherwise, such provisions shall prevail.

Projects other than those stipulated in the preceding paragraph shall be subject to administration by way of filing. Unless otherwise stipulated by the State Council, projects subject to administration by way of filing shall complete filing formalities in accordance with the territoriality principle. The filing authority and its limits of authority shall be stipulated by the People's Government of the province, autonomous region, centrally-administered municipality or municipality with unilateral planning.

Pursuant to 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, and latest amended on April 24, 2014 and became effective on January 1, 2015, pollution prevention facilities in construction projects shall be designed, constructed and put into use simultaneously with the main project. Pollution prevention facilities shall comply with the requirements of the approved environmental impact assessment document, and shall not be arbitrarily removed or left idle.

According to the Regulations of 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 last amended on December 29,2018 and effective on the same date, and the Regulations on the Environmental Protection of Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, latest amended on July 16, 2017 and effective on October 1, 2017, the construction entity shall submit an environmental impact report, an environmental impact statement, or fill in an environmental impact registration form depending on the degree of impact the construction project has on environment. For a construction project for which an environmental impact report or environmental impact statement shall be prepared by law, the construction entity shall submit the environmental impact report and environmental impact statement to the competent administrative department of the environmental protection with approval authority for approval before starting construction. If the Environmental Impact Assessment Documents of a construction project have not been reviewed by the approving authority in accordance with the law or have not been granted approval after the review, the construction entity shall be prohibited from commencing construction works.

The Interim Measures for Acceptance of Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), promulgated and implemented by the former Ministry of Environmental Protection (now the Ministry of Ecology and Environment) on November 20, 2017 and effective on the same date, regulate the procedures and standards for environmental protection acceptance by construction entities upon the completion of construction projects.

Pursuant to Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》), promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, and the Administrative Measures for Pollutant Discharge Licensing (《排污許可管理辦法》) promulgated by the Ministry of Ecology and Environment on April 1, 2024 and effective on July 1, 2024, enterprises, public institutions and other producers and business operators that are subject to pollutant discharge permit administration in accordance with laws shall apply for and obtain a pollutant discharge permit in accordance with the laws. The entities that fail to obtain a pollutant discharge permit shall not discharge any pollutants. Enterprises, public institutions and other producers and business operators that are legally required to fill in pollutant discharge registration forms shall conduct pollutant discharge registration on the national pollutant discharge permit management information platform.

According to the Catalogue of Classified Administration of Pollutant Discharge License for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) issued by the Ministry of Ecology and Environment on December 20, 2019 and effective on the same date, the State implements key management, simplified management and registration-based management-based management of pollutant discharge permits according to factors such as the quantity of pollutants generated and discharged by enterprises, public institutions and other producers and operators discharging pollutants and the degree of impact on the environment. Pollutant discharging entities with a large quantity of pollutants generated or discharged or a large degree of impact on the environment shall be subject to key management of pollutant discharge permits; and pollutant discharging entities with a small quantity of pollutants generated or discharged or a small degree of impact on the environment shall be subject to simplified management of pollutant discharge permits. Pollutant discharging entities with a very small quantity of pollutants generated or discharged or a very small degree of impact on the environment shall be subject to registration-based management of pollutant discharge permits. Pollutant discharging entities subject to registration-based management are not required to apply for a pollutant discharge permit, but shall fill in the pollutant discharge registration form on the national pollutant discharge permit information management platform to register their basic information, whereabouts of pollutants discharged, pollutant discharge standards implemented, pollution prevention and control measures adopted, etc.

Laws and Regulations Relating to Fire Control

Pursuant to the Fire Control Law of the PRC (《中華人民共和國消防法》), promulgated by the SCNPC on April 29, 1998 and most recently amended and effective on April 29, 2021, the emergency management authority of the State Council shall implement supervision and administration of fire control work nationwide. The emergency management authorities of local People's Governments at county level and above shall implement supervision and administration of fire control work within their respective administrative region, and the fire rescue department of the People's Government at counterpart level shall be responsible for implementation. Fire control design and construction of a construction project shall comply with the State's fire control technical standards for construction projects. The development project fire safety design examination and acceptance system shall be implemented for development projects which are required to have fire safety design in accordance with the national fire protection technical standards for project construction. Where a development project which is required by law to undergo fire safety inspection and acceptance does not undergo fire safety inspection and acceptance, or does not pass fire safety inspection and acceptance, the project shall not be put into use; the use of other development projects which do not pass inspection in spot checks carried out pursuant to the law shall be suspended.

Laws and Regulations Related to Overseas Securities [REDACTED] and [REDACTED]

On February 17, 2023, the CSRC issued the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic enterprises (《境內企業境外發行證券和上市管理試行辦法》) and its supporting guidelines (collectively, the "**New Rules for Filing**"), which came into effect on March 31, 2023. According to the New Rules for Filing, Initial public offerings or listings in overseas markets shall be filed with the CSRC within 3 working days after the relevant application is submitted overseas.

On February 24, 2023, the CSRC, in conjunction with the MOF, the National Administration of State Secrets Protection and the National Archives Administration, has jointly issued 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及檔案管理工作的規定》) (the "**Confidentiality and Archives Administration Provisions**"), which came into effect on March 31, 2023. The Confidentiality and Archives Administration Provisions require that PRC domestic enterprises that seek to offer and list securities in overseas markets, either directly or indirectly, shall establish the confidentiality and archives system, and shall complete approval and filing procedures with competent authorities, if such PRC domestic enterprises or their overseas listing entities provide or publicly disclose documents or materials involving state secrets and work secrets of PRC government agencies to relevant securities companies, securities service institutions, overseas regulatory agencies and other entities and individuals. It further stipulates that providing or publicly disclosing documents and materials which may adversely affect national security or public interests to relevant securities companies, securities service institutions, overseas regulatory agencies and other entities and individuals shall be subject to corresponding procedures in accordance with relevant laws and regulations.

Laws and Regulations Relating to H Share "Full Circulation"

According to the Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (2023 Amendment) (《H股公司境內未上市股份申請"全流通"業務指引(2023修訂)》), which was issued and implemented by the CSRC on August 10, 2023 and effective on the same date, subject to compliance with relevant laws and regulations as well as policy requirements concerning the administration of state-owned assets, foreign investment, and industry supervision, shareholders of unlisted domestic shares may autonomously negotiate to determine the number and proportion of shares for which circulation is to be applied, and shall entrust the H-share company to file with the China Securities Regulatory Commission (CSRC). A domestic joint stock limited company that has not yet been listed may, at the time of its initial public offering and listing overseas, concurrently file with the CSRC for "full circulation". The H-share company shall, within 15 days after the completion of transfer registration of the shares involved in the application with China Clearing, submit a report on relevant circumstances to the CSRC. After the unlisted domestic shares are listed and circulated on the Hong Kong Stock Exchange, they shall not be transferred back to the domestic market.

According to the Measures for Implementation of H-share "Full Circulation" Business (《H股"全流通"業務實施細則》) promulgated by the China Securities Depository and Clearing Corporation Limited (the "**CSDC**") and Shenzhen Stock Exchange (the "**SZSE**") on December 31, 2019, the businesses of cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of participants, services of nominal holders, etc. in relation to the "Full Circulation" business, are subject to the Measures for Implementation of H-share "Full Circulation" Business. Where there is no provision in the Measures for Implementation, it shall be handled with reference to other business rules of the CSDC, China Securities Depository and Clearing (Hong Kong) Company Limited and the SZSE.

The Shenzhen Branch of CSDC promulgated the Guide to the Program for H-share "Full Circulation" Business of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股"全流通"業務指南》) on June 27, 2025. These guidelines aim at standardizing the business operations of H-share "Full Circulation" and have made provisions for relevant businesses related to H-share "Full Circulation", including business preparation, cross-border transfer registration, overseas share custody, initial maintenance of detailed domestic holdings, change and maintenance of detailed domestic holdings, handling of corporate actions, settlement and delivery, and risk management.