We are required to comply with the relevant laws, rules, and regulations applicable in the jurisdictions where we conduct business across various aspects of our operations. This section sets forth a summary of the laws, regulations, and regulatory instruments of the PRC that currently have a material impact on our business activities in China. While these Chinese Laws may be amended from time to time, this summary does not purport to provide a comprehensive or detailed legal analysis of all such laws relating to our business operations in China, nor does it constitute an exhaustive list of all Chinese Laws applicable to our activities in the jurisdiction.

LAWS AND REGULATIONS RELATING TO COMPANIES

In accordance with the Company Law of the PRC (《中華人民共和國公司法》), as most recently amended by the Standing Committee of the National People's Congress (the "NPCSC") on December 29, 2023, and effective as of July 1, 2024, limited liability companies and joint stock limited companies established in the PRC possess corporate legal person status. The liabilities of shareholders in limited liability companies and joint stock limited companies are limited to the amount of capital they have subscribed to contribute or the shares they have purchased, respectively. The Company Law of the PRC also applies to foreign-invested enterprises. Where laws on foreign investment have other stipulations, such stipulations shall apply.

LAWS AND REGULATIONS RELATING TO FOREIGN-INVESTED ENTERPRISES AND OVERSEAS INVESTMENT

Foreign-Invested Enterprises

Foreign investment activities within the territory of the PRC are principally governed by the following regulations: (i) the Catalog of Industries for Encouraging Foreign Investment (2025 Edition) (《鼓勵外商投資產業目錄》(2025年版)) (the "Encouraging Catalog"), (ii) the Special Administrative Measures for Access of Foreign Investment (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "Negative List"), both of which are jointly promulgated by the Ministry of Commerce of the PRC (the "MOFCOM") and the NDRC and are subject to amendment from time to time, and (iii) the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "Foreign Investment Law"), which was adopted by the National People's Congress (the "NPC") on March 15, 2019 and became effective on January 1, 2020, together with its corresponding implementing rules and ancillary regulations.

Pursuant to the Foreign Investment Law, China implements a management system for foreign investment based on pre-entry national treatment and the Negative List. Pre-entry national treatment refers to according foreign investors and their investments treatment no less favorable than that accorded to domestic investors and their investments during the investment admission phase. The Negative List refers to the special administrative measures for market access imposed by the State on foreign investment in specific sectors. The NDRC and the MOFCOM implemented the Negative List (2024 Edition) on November 1, 2024. This list consolidates restrictive measures concerning equity ratios and management for foreign investment market access, as well as sectors prohibited to foreign investment. The Negative List covers 11 industries. Foreign investment outside the scope of the Negative List shall be accorded national treatment. Foreign investors are prohibited from investing in sectors prohibited by the Negative List. For sectors restricted by the Negative List, foreign investors must comply with the stipulated investment conditions. Foreign investment falling outside the Negative List shall be managed in accordance with the principle of equal treatment for domestic and foreign investment. The State has established a foreign investment information reporting system.

Overseas Investment

The MOFCOM promulgated the Administrative Measures on Overseas Investments Management (《境外投資管理辦法》) on September 6, 2014, which came into effect on October 6, 2014. Pursuant to the definition provided under the Measures, "Overseas investment" refers to an act whereby an enterprise established in accordance with Chinese law establishes or acquires ownership, control, management rights or other rights and interests in a non-financial enterprise outside China through establishing a new entity, merger and acquisition, or by any other means. Overseas investments involving sensitive countries or regions, or sensitive industries, are subject to approval by the competent authorities. All other overseas investments are subject to a filing-based administration system. Local enterprises shall complete the filing procedures with the provincial-level commerce authorities in their locality. Upon successful registration and filing, qualified enterprises will obtain an "enterprise overseas investment certificate" issued by the relevant provincial commerce authority.

The NDRC promulgated the Administrative Measures for the Outbound Investment by Enterprises (《企業境外投資管理辦法》) on December 26, 2017, which took effect on March 1, 2018. According to the definition under these Measures, "outbound investment" refers to investment activities conducted by a domestic enterprise in China, either directly or through an overseas enterprise it controls, by injecting assets, equity, or providing financing or guarantees, to obtain ownership, control, management rights, or other related rights and interests in an overseas target. Undertaking outbound investment requires compliance with certain procedures, including the approval or filing of outbound investment projects, submission of relevant information, and cooperation with supervision and inspection. The NDRC promulgated the Catalog of Sensitive Industries for Outbound Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》) on January 31, 2018, which took effect on March 1, 2018, detailing the industries currently designated as "sensitive."

LAWS AND RELATING TO TENDERING AND BIDDING

According to the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), which was promulgated by the NPCSC on August 30, 1998, latest amended on December 27, 2017, and came into effect on December 28, 2017, no units or individuals shall circumvent bidding requirements through dividing projects that must be tendered by law into smaller parts or any other means. Bidding and tendering activities shall adhere to the principles of openness, fairness, impartiality, and good faith.For units or individuals who fail to conduct a tender for a project that must be tendered, and circumvent bidding requirements through dividing project that must be tendered into smaller parts or any other means, they shall be ordered to make rectifications within a stipulated period and may be fined between 0.5% and 1% of the project's contract amount. Where a project that must be tendered violates the provisions of the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the winning bid is invalid, and the winning bidder shall be re-determined among the remaining bidders in accordance with the legally prescribed.

LAWS AND REGULATIONS RELATING TO PRODUCTION SAFETY AND FIRE SAFETY

Production safety

According to the Production Safety Law of the PRC (《中華人民共和國安全生產法》), as amended by the NPCSC on June 10, 2021 and effective from September 1, 2021, an enterprise shall (i) provide the production safety conditions specified in the Production Safety Law and other relevant laws, administrative regulations, national standards, and industry standards, (ii) establish a comprehensive production safety responsibility system and production safety rules and regulations, and (iii) develop the standardization of production safety to ensure safe production. Entities that do not possess the requisite production safety conditions are prohibited from engaging in production and business operations.

In accordance with the Measures for the Supervision and Administration of the "Three Simultaneities" of Safety Facilities in Construction Projects (《建設項目安全設施「三同時」監督管理辦法》), which were revised by the former State Administration of Work Safety (which was dissolved in March 2018 and superseded by the Ministry of Emergency Management) on April 2, 2015 and effective from May 1, 2015, the safety facilities of new, renovated, or expanded construction projects must be designed, constructed, and put into use in production simultaneously with the main body of the project. Enterprises are required to conduct a feasibility study and pre-assessment of the safety conditions for the construction project, prepare a design for the safety facilities, and submit these for review or filing with the relevant work safety supervision and administration department. Prior to the commissioning or operation of a completed construction project, the enterprise shall organize an acceptance check for the safety facilities and prepare a written acceptance report for record-keeping purposes.

Fire safety

According to the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》) published by the NPCSC on April 29, 1998, last amended on April 29, 2021 and came into effect on the same date, and the Interim Provisions on the Administration of Fire Protection Design Review and Acceptance Check of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) promulgated by the Ministry of Housing and Urban-Rural Development of the People's Republic of China (MOHURD) on April 1, 2020, latest amended on August 21, 2023 and came into effect on October 30, 2023, the fire protection design or construction of a construction project must conform to the national fire protection technical standards for project construction, and shall be governed by the fire protection design review and acceptance check system for construction projects. If a construction project fails to pass the fire safety inspection before it is put into use, or fails to meet the fire safety requirements after the inspection, it will be ordered to stop construction, stop use or stop production or business, and be fined, and if it constitutes a crime, it will be held criminally liable in accordance with the law.

LAWS AND 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》) (the "Product Quality Law"), which was most recently amended by the NPCSC on December 29, 2018 and became effective on the same date, producers and sellers shall establish a sound internal product quality management system, strictly implement post-specific quality standards, quality responsibilities, and corresponding assessment measures. The law prohibits the forgery or unauthorized use of quality certification marks, among other quality indications, prohibits the forgery of a product's place of origin, or the forgery or unauthorized use of another manufacturer's name or address and prohibits adulterating products, passing off fake products as genuine, or passing off substandard products as standard ones during production or sale. Any producer or seller who violates the Product Quality Law shall (i) be subject to administrative sanctions, and (ii) if the illegal activities constitute a criminal offense, be subject to criminal liability.

Under the Civil Code of the PRC (《中華人民共和國民法典》), which took effect on January 1, 2021, if a defect is discovered in a product after it has been released into circulation, the producer and seller shall promptly take remedial measures such as ceasing sales, issuing a warning, or recalling the product. If damage is caused by a defect in the product, or by a failure to take timely remedial measures, the infringed party has the right to seek compensation from the producer or the seller. If the defect is attributable to the seller, the producer, after providing compensation, shall have the right to seek recourse from the seller. Where a producer or seller, knowing that a product is defective, continues to produce or sell it, or fails to take effective remedial measures as required, thereby causing death or serious harm to health, the infringed party has the right to claim punitive damages in addition to compensation for losses.

LAWS AND REGULATIONS RELATING TO POWER STATION CONSTRUCTION AND POWER GENERATION BUSINESS

Electric Power Market Regulation

Pursuant to the Electricity Law of the PRC (《中華人民共和國電力法》), as most recently amended by the NPCSC on December 29, 2018 and came into effect on the same day, this Law is formulated in order to safeguard and promote the development of electric power operations, to protect the legal rights and interests of investors, operators and consumers of electric power and to ensure the safe operation of electric power. Electric power facilities are protected by the State. Any entity or individual is prohibited from endangering the safety of electric power facilities or illegally appropriating or consuming electric energy. Electric power construction projects shall conform to the electric power development plan and the State's electric power industry policies, and shall not utilize power equipment or technologies that have been explicitly eliminated by the State.

General Contracting of Electric Power Engineering Construction

According to the Construction Law of the PRC (《中華人民共和國建築法》), as most recently amended by the NPCSC on April 23, 2019 and implemented thereon, and the Standard for Construction Enterprise Qualifications (《建築業企業資質標準》) and its amendments implemented by the Ministry of Housing and Urban-Rural Development of the PRC (the "MOHURD") on January 1, 2015, construction project general contracting projects, including power engineering construction general contracting, shall be undertaken by enterprises that have obtained the corresponding construction general contracting qualification. An enterprise that has obtained a general contracting qualification may undertake all specialized works falling within the scope of the general contracting project it has contracted, or may subcontract specialized works in accordance with the law. Where a specialized work requiring a qualification is subcontracted, it shall be subcontracted to an enterprise possessing the corresponding specialized contracting qualification. When subcontracting labor services, the work shall be subcontracted to an enterprise possessing a construction labor services qualification.

REGULATIONS RELATING TO PROPERTY LEASING

Pursuant to (i) the Urban Real Estate Management Law of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the NPCSC on July 5, 1994 and last amended on August 26, 2019 with effect from January 1, 2020, and (ii) the Measures for the Administration of Commodity Housing Leasing, (《商品房屋租賃管理辦法》), promulgated by the MOHURD on December 1, 2010 and effective from February 1, 2011, the lessor and the lessee shall enter into a written lease contract for the leased premises. The contract shall include, among other things, the following contents: the lease term, requirements for the use of the premises, the rental amount, responsibilities for maintenance of the premises, and other rights and obligations of both parties. Both the lessor and the lessee are required to complete the registration and filing procedures for the property lease with the real estate administration department in the location of the leased property within 30 days from the execution of the property lease contract. Failure to register and file by the lessor and the lessee may result in the imposition of a fine.

LAWS AND REGULATIONS RELATING TO LAND, PLANNING AND CONSTRUCTION LICENSE

Land Use Rights

Pursuant to the Land Administration Law of the PRC (《中華人民共和國土地管理法》), which was most recently amended by the NPCSC on August 26, 2019 and took effect on January 1, 2020, state-owned land may be allocated or granted to units for construction use in accordance with the law. According to the Interim Regulations on Real Estate Registration (《不動產登記暫行條例》), which was most recently amended by the State Council on March 10, 2024 and implemented on May 1, 2024, real estate registration shall be handled by the real estate registration agency of the people's government at the county level in the place where the real estate is located.

Construction Land Planning Permit

Pursuant to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》), which was most recently amended by the NPCSC on April 23, 2019, and implemented thereon, an entity that acquires the right to use state-owned land through grant or allocation for utilization shall obtain a construction land planning permit. If a construction unit obtains land use approval without having acquired a construction land planning permit, the relevant approval documents shall be nullified by the people's government at or above the county level. If the land has been occupied, it shall be promptly returned. And if damage is caused to any party, compensation shall be paid in accordance with the law.

Construction Project Planning Permit

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》), within the planned areas of cities and towns, any construction unit or individual carrying out the construction of buildings, structures, roads, pipelines, or other engineering projects shall apply for a construction project planning permit from the competent urban and rural planning department of the city or county people's government, or from the town people's government designated by the people's government of the province, autonomous region, or municipality directly under the Central Government. If construction is carried out without obtaining a construction project planning permit or not in accordance with the provisions of the permit, the competent urban and rural planning department of the local people's government at or above the county level shall order the cessation of construction. If the impact on the implementation of the plan can be eliminated by taking corrective measures, a deadline for correction shall be set, and a fine of not less than 5% but not more than 10% of the construction project's cost shall be imposed. If the impact cannot be eliminated by corrective measures, a deadline for demolition shall be set. If demolition is not possible, the physical structure or illegal income shall be confiscated, and a fine of up to 10% of the construction project's cost may also be imposed.

Construction Permit for Construction Project

Pursuant to the Construction Law of the PRC (《中華人民共和國建築法》)and 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, prior to the commencement of construction, the construction unit shall, in accordance with the relevant national regulations, apply for a construction permit from the competent construction administration department of the people's government at or above the county level where the project is located. However, this requirement does not apply to small-scale projects below the threshold specified by the competent construction administration department of the State Council, or to projects for which a construction commencement report has been approved in accordance with the limits of authority and procedures prescribed by the State Council. According to the Regulations on the Quality Management of Construction Projects (《建設工程質量管理條例》), which was most recently revised by the State Council on April 23, 2019, and implemented thereon, if a construction unit commences construction without obtaining a construction permit or without approval of the construction commencement report, it shall be ordered to stop construction and rectify the violation, and shall also be fined not less than 1% but not more than 2% of the contract value of the project.

Check and Acceptance of Construction Project

Pursuant to the Regulations on the Quality Management of Construction Projects (《建設工程質量管理條例》), which was most recently revised by the State Council on April 23, 2019, and implemented thereon, and the Measures for the Administration of Completion Acceptance Filing of Building Construction and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) implemented by the MOHURD on October 19, 2009, a construction project shall not be delivered for use without having passed the completion acceptance inspection. The construction unit shall, within 15 days from the date the project passes the completion acceptance inspection, complete the filing procedures with the competent construction administration department of the people's government at or above the county level where the project is located. If the construction unit delivers the project for use illegally without having organized the completion acceptance inspection, or delivers the project for use illegally despite failing the acceptance inspection, it shall be ordered to rectify the violation and shall be fined not less than 2% but not more than 4% of the contract value of the project. If losses are caused, it shall be liable for compensation. If the construction unit fails to complete the filing procedures within 15 days from the date the project passes the completion acceptance inspection, the filing authority shall order it to rectify within a specified period and impose a fine of not less than RMB200,000 but not more than RMB500,000.

LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

Environmental Impact Assessment

Pursuant to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), revised by the NPCSC on April 24, 2014, and implemented 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》), most recently revised by the NPCSC on December 29, 2018, and implemented thereon, the Regulations on the Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》), most recently revised by the State Council on July 16, 2017, and implemented on October 1, 2017, the Measures for the Administration of the Filing of Environmental Impact Registration Forms for Construction Project (《建設項目環境影響登記表備案管理辦法》), promulgated by the former Ministry of Environmental Protection, now restructured into the Ministry of Ecology and Environment of the PRC, on November 16, 2016, and effective on January 1, 2017, the Interim Measures for the Acceptance of Environmental Protection Completion Checks for Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), promulgated by the former Ministry of Environmental Protection of the PRC on November 20, 2017, and effective on November 20, 2017, and other relevant environmental laws and regulations, construction projects are required to undergo environmental impact assessment procedures. Construction projects that are likely to have a significant impact on the environment shall prepare an environmental impact report to provide a comprehensive and detailed assessment of their environmental impact. Construction projects that are likely to have a minor impact on the environment shall prepare an environmental impact statement to analyze or conduct a specialized assessment of the environmental impact. Construction projects that will have a very minor impact on the environment are exempt from the requirement to prepare an environmental impact report or statement but are required to complete and file an environmental impact registration form.

Air Pollution

Pursuant to the Air Pollution Prevention and Control Law of the PRC (《中華人民共和國大氣污染防治法》), which was most recently revised on October 26, 2018, and implemented thereon, new construction projects, renovation projects, and expansion projects that emit air pollutants shall comply with the relevant provisions on environmental protection for construction projects. Enterprises, institutions, and other producers or operators that construct projects which have an impact on the atmospheric environment shall, in accordance with the law, conduct an environmental impact assessment and publicly disclose the environmental impact assessment documents. Those that discharge pollutants into the atmosphere shall comply with the air pollutant emission standards and adhere to the requirements for controlling the total emission volume of key air pollutants.

Solid Waste

According to the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), which was most recently revised by the NPCSC on April 29, 2020, and came into effect on September 1, 2020, construction projects that generate, store, utilize, or dispose of solid waste shall undergo an environmental impact assessment. The solid waste pollution prevention and control facilities must be designed, constructed, and put into operation simultaneously with the main body of the construction project. The construction unit shall, in accordance with the provisions of relevant laws and regulations, carry out the acceptance inspection of the solid waste pollution prevention and control facilities that are constructed as part of the project, prepare an acceptance report, and make it publicly available.

Water Pollution

Pursuant to the Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》), which was most recently revised by the NPCSC on June 27, 2017, and came into effect on January 1, 2018, construction projects and other water facilities that are newly built, reconstructed, or expanded, and which discharge pollutants directly or indirectly into water bodies, shall undergo an environmental impact assessment. Furthermore, the water pollution prevention and control facilities must be designed, constructed, and put into use simultaneously with the main body of the project. The water pollution prevention and control facilities must comply with the requirements set forth in the environmental impact documents approved or filed by the competent authorities.

Noise Pollution

According to the Law of the PRC on the Prevention and Control of Noise Pollution (《中華人民共和國噪聲污染防治法》), which was promulgated by the NPCSC on December 24, 2021, and came into effect on June 5, 2022, construction projects that are newly built, reconstructed, or expanded and are likely to cause noise pollution shall undergo an environmental impact assessment in accordance with the law. The noise pollution prevention and control facilities for construction projects shall be designed, constructed, and put into use simultaneously with the main body of the project. Before a construction project is put into production or use, the construction unit shall, in accordance with the provisions of relevant laws and regulations, carry out the acceptance inspection of the supporting noise pollution prevention and control facilities, prepare an acceptance report, and make it publicly available. If the acceptance inspection has not been conducted or the project fails the inspection, the construction project shall not be put into production or use.

Permission for Pollutant Discharges

According to the 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 effective on March 1, 2021, the Catalog for the Classified Administration of Pollutant Discharge Permits for Fixed Pollution Sources (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》) promulgated by the Ministry of Ecology and Environment on December 20, 2019, and effective on the same date, and the Measures for the Administration of Pollutant Discharge Permits (《排污許可管理辦法》) promulgated by the Ministry of Ecology and Environment of the PRC on April 1, 2024, came into effect on July 1, 2024. Entities that are legally required to hold a pollutant discharge permit shall not discharge pollutants without a permit. Depending on the volume and environmental impact of pollutant discharge, the management measures applied are key management, simplified management, or pollutant discharge registration management, respectively.

Energy Saving

The Energy Conservation Law of the PRC (《中華人民共和國節約能源法》) promulgated by the NPCSC on November 1, 1997 was most recently revised on October 26, 2018 and came into effect on the same date. The Law requires the establishment and strengthening of statistical, monitoring, and assessment systems for energy conservation, enhances supervision over key energy-consuming entities, and promotes energy conservation efforts in critical sectors such as industry, construction, transportation, and public institutions.

Pursuant to the Measures for the Energy Conservation Examination and Carbon Emission Assessment of Fixed-Asset Investment Projects (《固定資產投資項目節能審查和碳排放評價辦法》) promulgated by the NDRC on July 17, 2025, and came into effect on September 1, 2025, for enterprise-invested projects, the construction entity is required to obtain an energy conservation examination opinion from the energy conservation examination authority before commencing the construction.Projects that have not conducted an energy conservation examination in accordance with the Measures, or have not passed the energy conservation examination, the construction entity shall not commence the construction, and for those already completed, the construction entity shall not be put into production or use.

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT OF GOODS

According to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》), which was most recently amended by the NPCSC on December 27, 2025 and shall be effective on March 1, 2026, the State permits the free import and export of goods and technologies. Based on the need to monitor the import and export of goods, the competent foreign trade department under the State Council may implement automatic import and export licensing for certain freely imported and exported goods and publish a Catalog thereof. For import and export goods subject to automatic licensing, where the consignee or consignor applies for automatic licensing before going through customs declaration formalities, the department in charge of foreign trade under the State Council or its entrusted institutions shall grant the license; the customs shall handle inspection and release formalities against the submitted automatic licensing certificate.

In accordance with the Regulations on the Administration of the Filing 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 GAC of the PRC on November 19, 2021, and effective as of January 1, 2022, Customs declaration entities are defined as consignees and consignors of import and export goods, as well as customs declaration enterprises, that have completed filing with the customs authorities in accordance with these Regulations. Consignees and consignors of import and export goods, or customs declaration enterprises, applying for such filing shall have obtained market entity qualification. Where the consignees and consignors of import and export goods or customs declaration enterprises have already been filed with the customs, their branches that meet the conditions specified in the preceding paragraph may also apply for filing as Customs declaration entities.

LAWS AND REGULATIONS RELATING TO LABOR, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Labor Contract

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), which was most recently amended by the NPCSC on December 29, 2018 and came into effect on the same date, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), which was most recently amended by the NPCSC on December 28, 2012 and took effect on July 1, 2013, and the Implementing Regulations 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 on 18 September 2008 and effective as of the same date, it is stipulated that the employment relationship between employers and employees must be established in writing. Employers are required to establish a labor safety and health system, strictly comply with national standards, and provide relevant education to employees. Employees, in turn, must work in a safe and hygienic environment.

Social Insurance and Housing Provident Fund

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was most recently amended by the NPCSC on 29 December 2018 and came into effect on the same date, the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》), which was most recently amended by the State Council on 24 March 2019 and came into effect on the same date, and the Provisional Regulations on the Collection of Social Insurance Contributions (《社會保險費徵繳暫行條例》), which was most recently amended by the State Council on 24 March 2019 and came into effect on the same date, enterprises in China are required to contribute for their employees to the basic pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, basic medical insurance, and housing provident fund schemes based on the statutory contribution base and contribution rates. In the event that an employer fails to make full social insurance contributions on time, the social insurance contribution collection agency shall order it to make payment within a specified timeframe. A late payment surcharge of 0.05% per day shall be imposed from the date the payment becomes overdue. If the employer still fails to make the payment after the specified deadline, the relevant administrative department may impose a fine ranging from one to three times the amount in arrears. If a unit fails to make or underpays its housing provident fund contributions by the deadline, the Housing Provident Fund Management Center shall order it to make the deposit within a specified period. If the unit still fails to make the deposit after the deadline, the Center may apply to the People's Court of the PRC (the "People's Court") for compulsory enforcement.

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.

Pursuant to the Opinions of the General Office of the State Council on the Comprehensive Implementation of the Merger of Maternity Insurance and Basic Medical Insurance for Employees (《國務院辦公廳關於全面推進生育保險和職工基本醫療保險合併實施的意見》), promulgated and implemented by the General Office of the State Council on March 6, 2019, the State promotes the integration of the maternity insurance fund into the basic medical insurance fund for employees, to be carried out under a unified contribution collection system.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》), which was most recently amended by the NPCSC on October 17, 2020, and came into effect on June 1, 2021, the Implementing Regulations of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was most recently amended by the State Council on December 11, 2023, and came into effect on January 20, 2024, and the Measures for the Recordal of Patent Licensing Contracts (《專利實施許可合同備案辦法》), promulgated by the China National Intellectual Property Administration on June 27, 2011, and effective as of August 1, 2011, invention means inventions, utility models, and designs. Invention means any new technical solution proposed for a product, a process, or an improvement thereof. Utility model means any new technical solution proposed for the shape, structure, or combination thereof of a product, which is fit for practical use. Design means any new design of the shape, pattern, or a combination thereof, or the combination of color with shape or pattern, of the whole or a part of a product, which creates an esthetic feeling and is fit for industrial application. The duration of patent rights for inventions is 20 years, for utility models is 10 years, and for designs is 15 years, all counted from the date of filing.

Trademark

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》), which was most recently amended by the NPCSC on April 23, 2019, and came into effect on November 1, 2019, and the Implementing Regulations of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) which was amended on April 29, 2014, and came into effect on May 1, 2014, the term of validity of a registered trademark is ten years, calculated from the date of its approval and registration. If there is a need to continue using the registered trademark upon the expiration of its term of validity, the registration renewal procedures must be completed in accordance with the relevant regulations within 12 months prior to the expiration date. If the procedures cannot be completed within this period, a six-month grace extension may be granted. Each renewal of a registered trademark is valid for ten years, calculated from the day following the expiration of the previous term of validity. The trademark registrant may license another party to use its registered trademark by concluding a trademark license contract. However, the licensing matter must be submitted to the Trademark Office for recordal. Failure to complete the recordal formalities does not affect the validity of the license contract, but such license may not be asserted against a bonafide third party. The licensor shall supervise the quality of the goods, and the licensee shall guarantee the quality of the goods when using the registered trademark.

Copyright

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》), which was most recently amended by the NPCSC on November 11, 2020, and came into effect on June 1, 2021, and the Implementing Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》), which was most recently amended on January 30, 2013, and came into effect on March 1, 2013, works of Chinese citizens, legal persons, or unincorporated organizations, that is, intellectual achievements in the fields of literature, art, and science that are original and can be expressed in a certain form, shall enjoy copyright in accordance with the law, regardless of whether they are published. Copyright includes a series of personal rights and property rights such as the right of publication, the right of attribution, the right of revision, the right to protect the integrity of the work, and the right of reproduction.

Pursuant to the Measures for the Registration of Copyright in Computer Software (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002 and became effective on the same date, and the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) amended by the State Council on January 30, 2013, and effective as of March 1, 2013, the National Copyright Administration is responsible for administering the registration of software copyright nationwide and has designated the China Copyright Protection Center as the software registration authority. The China Copyright Protection Center shall issue a registration certificate to applicants for computer software copyright who meet the requirements stipulated in the Measures for the Registration of Copyright in Computer Software (《計算機軟件著作權登記辦法》) and the Regulations on the Protection of Computer Software (《計算機軟件保護條例》).

Domain Names

Pursuant to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》) promulgated by the Ministry of Industry and Information Technology (the "MIIT") of the PRC on August 24, 2017, and effective as of November 1, 2017, the Implementation Rules for the Registration of Country Code Top-Level Domains (《國家頂級域名註冊實施細則》) and the Rules for the Dispute Resolution Procedure for Country Code Top-Level Domains (《國家頂級域名爭議解決程序規則》) promulgated by the China Internet Network Information Center on June 18, 2019, and effective on the same date; entities establishing domain name root servers and their operating institutions, domain name registry administrations, and domain name registration service agencies within the territory of China must obtain approval from MIIT or the communications administration departments of the relevant provinces, autonomous regions, or municipalities directly under the Central Government. The principle of "first-come, first-served" applies to domain name registration services. Furthermore, the Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names for 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》), promulgated by MIIT on November 27, 2017, and effective as of January 1, 2018, stipulates the obligations of entities such as Internet information service providers regarding counter-terrorism and safeguarding network security.

LAWS AND REGULATIONS RELATING TO TAX

Corporate income tax

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) promulgated by the NPC on March 16, 2007, last amended on December 29, 2018 and took effect on the same date, and the Regulation on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《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, last amended on December 6, 2024 and took effect on January 20, 2025, domestic enterprises established in China according to the law shall be regarded as resident enterprises. Resident enterprises shall pay the enterprise income tax at the rate of 25% on their income derived from within and outside the PRC, the enterprise income tax shall be levied at the reduced rate of 20% for qualified small and low-profit enterprises, and 15% for qualified high-tech enterprises.

Value-added tax

According to the Value-added Tax Law of People's Republic of China (《中華人民共和國增值稅法》) promulgated by NPCSC on December 25, 2024, and took effect on January 1, 2026, unless otherwise stipulated by the above regulations, for payers who sell goods, and provide processing, repairs and replacement services and rental services of tangible movable assets as well as import goods, the tax rate shall be 13%. Unless otherwise stipulated by the above regulations, for payers who engage in the sale of transport services, postal services, basic telecommunications services, construction services, or real property leasing services, the sale of real properties, the transfer of land use rights, the sale or importation of following goods, the tax rate shall be 9%.

LAWS AND REGULATIONS RELATING TO CYBERSECURITY, DATA SECURITY, AND PRIVACY PROTECTION

Cybersecurity and Data Security

The Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) was promulgated on November 7, 2016 which took effect on June 1, 2017, most recently amended on October 28, 2025 and effective as of January 1, 2026. Pursuant to this law, those who construct or operate networks or provide services through networks shall, take technical and other necessary measures to ensure cybersecurity and stable operation, effectively respond to cybersecurity incidents, prevent cyber-related illegal and criminal activities, and maintain the integrity, confidentiality and availability of network data. In the event of a violation of the relevant provisions and requirements under the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》), individuals or organizations may face penalties including warnings, fines, confiscation of illegal gains, revocation of licenses, or closure of websites, and may be subject to criminal liability in serious circumstances.

Pursuant to the Data Security Law of the PRC (《中華人民共和國數據安全法》), which was promulgated by the NPCSC on June 10, 2021, and came into effect on September 1, 2021, any organization or individual collecting data shall employ lawful and proper means and shall not acquire data through theft or other illegal methods. PRC shall establish a data classification and grading protection system, formulate the important data catalogs to enhance the protection of important data.

The Network Data Security Management Regulations (《網絡數據安全管理條例》) were promulgated by the State Council on September 24, 2024, and came into effect on January 1, 2025. This regulation applies to network data processing activities and their security supervision within the PRC territory, with key provisions including: (i) clarifying requirements for formulating and declaring important data catalogues including protection rules for important data; (ii) optimizing cross-border data management by distinguishing obligations between the critical information infrastructure operators (the "CIIOs") and general data processors; (iii) improving personal information protection rules, establishing a "checklist" notification requirement at the administrative regulation level. Furthermore, cyber data processors that provides services for state agencies or critical information infrastructure operators, or participates in the construction, operation and maintenance of other public infrastructure or public service systems, shall perform its obligation of cyber data security protection and provide secure, stable and continuous services in accordance with the provisions of laws and regulations and contractual stipulations.

Cybersecurity Review and Outbound Data Transfer Security Assessment

The Cybersecurity Review Measures (《網絡安全審查辦法》) were promulgated on December 28, 2021, and took effect on February 15, 2022. These Measures stipulate CIIOs procuring network products and services, as well as online platform operators carrying out data processing activities that do or may affect national security, shall undergo cybersecurity review. The Cybersecurity Review Measures further stipulate a cybersecurity review shall be conducted in the following circumstances: (i) internet platform operators who possess more than one million users' personal information and seek to list abroad are obliged to apply for a cybersecurity review; (ii) CIIOs purchasing network products or services where national security has been or may be affected shall apply for a cybersecurity review; and (iii) the competent PRC government authority may initiate cybersecurity review in case that any member of the cybersecurity review committee believes that any network product or service or data processing activity affects or is likely to affect national security and the Central Cyberspace Affairs Commission approves to do so.

On March 22, 2024, the CAC promulgated the Provisions on Promoting and Regulating Cross-border Data Flow (《促進和規範數據跨境流動規定》), which became effective on the date of promulgation. It specifies the conditions for data cross-border transfer that are exempted from declaring the security assessment of cross-border data transfer, signing and filing a Standard Contract for the Cross-border Transfer of Personal Information, and applying for Personal Information Protection Certification. During the track record period and up to the latest practicable date, our main business does not involve any cross-border transfer of personal information, important data, or other general data from China to overseas.

Pursuant to the Critical Information Infrastructure Security Protection Regulations (《關鍵信息基礎設施安全保護條例》) promulgated by the State Council on July 30, 2021, and effective from September 1, 2021. The department responsible for the security protection of critical information infrastructure (the "protection authority") shall formulate identification rules for critical information infrastructure, organize the identification of such infrastructure within its respective industry or sector in accordance with such rules, and promptly notify the relevant operators of the identification results. During the track record period and up to the latest practicable date, we have not received any notification from the protection authority regarding our company being identified as a critical information infrastructure operator.

Based on the consultation conducted by our PRC Legal Advisor with the CCRC (China Cybersecurity Review, Certification and Market Regulation Big Data Center), their response confirms that a listing in Hong Kong does not fall under the circumstances specified in Article 7 of the Cybersecurity Review Measures. Based on this, our current listing and issuance do not require proactive declaration for cybersecurity review under Article 7 of the Cybersecurity Review Measures. Furthermore, during the track record period and up to the latest practicable date, we have not received any notification or request from any administrative agency determining that we have engaged in processing activities that affect or may affect national security, nor have we received any notification from administrative agencies regarding cybersecurity review of our Company. Therefore, we believe that this listing and issuance do not require us to conduct a cybersecurity review under the Cybersecurity Review Measures.

Regulations on Privacy Protection

Pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), issued by the NPCSC on December 28, 2012, and the Provisions on the Protection of Telecommunication and Internet User's Personal Information (《電信和互聯網用戶個人信息保護規定》), issued by the MIIT on July 16, 2013 and effective on September 1, 2013, any collection and use of any user personal information must be subject to the consent of the user, follow the principles of legality, rationality, and necessity, and fall within the specified purposes, methods and scopes in the applicable law.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》), which came into effect on January 1, 2021, the personal information of natural persons is protected by law. Any organization or individual shall, when necessary, obtain personal information of others in accordance with the law and ensure the security of such information. They shall not illegally collect, use, process, transmit, sell, provide, or disclose the personal information of others.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) was promulgated by the NPCSC on August 20, 2021, and became effective on November 1, 2021. In accordance with this Law, the processing of personal information shall have a definite and reasonable purpose, be directly related to the processing purpose, and be conducted in a manner that minimizes the impact on individuals' rights and interests. The collection of personal information shall be limited to the minimum scope necessary to achieve the purpose of processing, and excessive collection of personal information is prohibited. Personal information processors are responsible for the personal information they process and shall take necessary measures to safeguard the security of the processed personal information.

LAWS AND REGULATIONS RELATING TO OVERSEAS OFFERING AND LISTING OF DOMESTIC ENTERPRISES

Overseas Listing

According to the Trial Administrative Measures of 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》) (the "Overseas Listing Administrative Measures") and supporting guidelines promulgated by the China Securities Regulatory Commission (the "CSRC") on February 17, 2023 and implemented on March 31, 2023, the overseas offering and listing activities of domestic enterprises shall be in strict compliance with laws, administrative regulations and relevant provisions on national security in terms of foreign investment, cybersecurity, data security and etc., and duly fulfill their obligations to protect national security, shall not disrupt domestic market order, and shall not harm national interests, public interest and the legitimate rights and interests of domestic investors. If a security review is required, the relevant security review procedures shall be carried out in accordance with the law before submitting the offering and listing application to the overseas securities regulatory authorities, stock exchanges, etc.

A domestic enterprise that intends to be listed or is listed overseas may raise funds and pay dividends in foreign currencies or RMB. The use and investment of proceeds from overseas issuance by a domestic enterprise shall comply with the laws, administrative regulations and relevant national rules.The foreign exchange and cross-border flow of capitals relating to the overseas issuance and listing of a domestic enterprise shall comply with the national regulations on cross-border investment and financing, foreign exchange management, and cross-border RMB management.

If any of the following material events occur after an issuer's overseas offering and listing, the issuer shall report the details to the CSRC within three working days from the date of the occurrence and announcement of the relevant event: (1) change in control; (2) investigation, penalties or other measures taken by overseas securities regulatory authorities or relevant competent authorities; (3) the conversion of listing status or the transfer of listing board; (4) voluntary or compulsory termination of listing.

Foreign exchange administration of overseas listing

According to the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Overseas Listing (Hui Fa [2014] No. 54) (《國家外匯管理局關於境外上市外匯管理有關問題的通知》(匯發[2014]54號)) promulgated on December 26, 2014, where a joint stock limited company incorporated in the PRC issues shares overseas and is publicly listed and outstanding on overseas exchanges upon the approval by the CSRC, it shall, within 15 business days after the date of the end of its overseas listing issuance, register the overseas listing with the Administration of Foreign Exchange at the place of its establishment, and present its certificate of overseas listing to open a special account for overseas listing of domestic company at a local bank to handle the exchange, remittance and transfer of funds for the business concerned.

The Guidelines on Foreign Exchange Business under the Capital Account (2024 Edition) stipulate guidelines for securities investment management and other related foreign exchange business, providing guidance on foreign exchange procedures for new registration and alteration and cancellation of registration, registration of domestic shareholders' shareholdings, full circulation and other related matters of domestic companies' overseas listings.

Pursuant to the Notice on Issues Concerning Capital Management for Overseas Listing of Domestic Enterprises (關於境內企業境外上市資金管理有關問題的通知), jointly promulgated by the People's Bank of China and the SAFE on December 26, 2025 and will come into effect on April 1, 2026, a domestic enterprise shall complete the registration with the competent banks within 30 working days after the date of its initial overseas listing or the completion of the over-allotment. The proceeds raised may be remitted to the PRC or deposited overseas, provided that the use of funds shall be consistent with the relevant disclosure documents. Domestic shareholders that increase or reduce their overseas shareholdings shall also comply with the relevant registration and account management requirements.