I. LAWS AND REGULATIONS RELATED TO FOREIGN INVESTMENT

China's foreign investment activities are regulated by a series of laws and regulations, especially documents such as the Foreign Investment Law of the People's Republic of China, the Negative List, and the Incentive List. These are aimed at clarifying foreign investment access policies, management measures, and industry directions.

The Foreign Investment Law of the People's Republic of China, released on March 15, 2019, established the regulatory framework for foreign investment. China implements a management system of pre-entry national treatment plus the Negative List for foreign investment. Foreign investments outside the negative list are granted national treatment.

According to the Special Administrative Measures for the Access of Foreign Investment (Negative List) (2024 Edition) released on September 6, 2024, which lists the special administrative measures for foreign investment access, the manufacturing of agricultural machinery does not fall into the categories of restricted or prohibited foreign investment.

II. LAWS, REGULATIONS AND POLICIES RELATED TO THE AGRICULTURAL MACHINERY INDUSTRY

1. Industry Development

Since the implementation of the Agricultural Technology Extension Law of the People's Republic of China in 1993, relevant departments in China have issued and revised a series of laws and regulations to promote the development of the agricultural machinery industry, with enhanced supervision and support for the industry since 2004.

The Law of the People's Republic of China on Promotion of Agricultural Mechanization (amended in 2018), released by the Standing Committee of the National People's Congress on June 25, 2004, explicitly states the encouragement and support for farmers and agricultural production and operation organizations to use advanced and applicable agricultural machinery, in order to promote agricultural mechanization and develop modern agriculture.

The Made in China 2025, released by the State Council on May 8, 2015, clarified the key development of advanced agricultural machinery and equipment used in the main production processes of breeding, field preparing, sowing, management, harvesting, transportation, and storage of major grains such as grain, cotton, oil, and sugar, and strategic economic crops. It accelerated the development of high-end agricultural equipment such as large tractors and their combined operation implements, large and efficient combine harvesters, and key core components. It improved the information collection, intelligent decision-making, and precise operation capabilities of agricultural machinery and equipment, and promoted the formation of an overall information solution for agricultural production.

The Outline of the Fourteenth Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035, released by the National People's Congress on March 12, 2021, clearly proposed to strengthen the research, development, and application of large, medium-sized, intelligent, and compound agricultural machinery, and increase the comprehensive mechanization rate of crop cultivation, planting, and harvesting to 75%. Develop advanced and applicable agricultural machinery such as intelligent large-horsepower tractors, precision (no-till) seeders, boom sprayers, ditch fertilization machines, high-efficiency combine harvesters, fruit and vegetable harvesters, sugarcane harvesters, and cotton harvesters. Develop efficient and specialized agricultural machinery for agricultural production in mountainous and hilly areas.

In April 2025, the Central Committee of the Communist Party of China and the State Council issued the Plan for Accelerating the Building of a Strong Agricultural Country (2024-2035), which proposes comprehensively upgrading agricultural machinery and equipment throughout the whole process. Specifically, it includes: strengthening the R&D and application of agricultural machinery and equipment such as large high-end intelligent agricultural machinery and small machinery suitable for mountainous and hilly areas, as well as key components, and accelerating the realization of the comprehensive support of domestic agricultural machinery and equipment for the high-quality and efficient development of agriculture. Promote the retirement and renewal of old agricultural machinery and optimize the structure of agricultural machinery and equipment. Build important agricultural machinery industrial clusters with coordinated upstream and downstream support of relevant enterprises in fields such as engineering electronics. Promote the deep integration of agricultural machinery and agronomy, and promote the connection and integration of the research, development, manufacturing, maturation, standardization, promotion and application of agricultural machinery and equipment, so as to achieve full coverage of the application of high-performance agricultural machinery and equipment in the whole chain of planting, breeding and processing.

2. Agricultural Machinery Subsidies

Since 2004, China has issued the Agricultural Mechanization Promotion Law and a series of supporting policies, stipulating that special funds shall be separately arranged by the central and local finances to directly subsidize farmers and agricultural production and operation organizations for purchasing advanced and applicable agricultural machinery supported and promoted by the state.

On February 25, 2005, the Interim Measures for the Use and Management of Special Funds for the Purchase Subsidy of Agricultural Machinery issued by the Ministry of Finance and the former Ministry of Agriculture standardized the subsidy for the purchase of agricultural machinery in terms of department responsibilities, subsidy objects, application, distribution, management and supervision of subsidy funds.

On March 12, 2021, the Guiding Opinions on the Implementation of Agricultural Machinery Purchase Subsidies from 2021 to 2023 issued by the Ministry of Finance and the Ministry of Agriculture and Rural Affairs clearly proposed that the central financial agricultural machinery purchase subsidy shall be granted on a fixed-amount basis. The Ministry of Agriculture and Rural Affairs and the Ministry of Finance shall organize the formulation and release of the main classification parameters for various categories of agricultural machinery within the national subsidy scope, which provinces may refine and increase the classification on this basis, and determine the upper limit of the subsidy amount for each grade according to the average market sales price of products in the same grade in the previous year. In principle, the upper limit shall not exceed 30% of the average market sales price of products in the same grade in the previous year, and the subsidy amount for general-purpose agricultural machinery shall not exceed the highest subsidy amount issued by the Ministry of Agriculture and Rural Affairs and the Ministry of Finance. At the same time, each province may increase the subsidy amount for some key subsidized agricultural machinery, raising the upper limit ratio of the subsidy amount from 30% to 35%.

On April 30, 2024, the Implementation Opinions on Subsidies for the Purchase and Application of Agricultural Machinery from 2024 to 2026 issued by the Ministry of Finance and the Ministry of Agriculture and Rural Affairs clearly proposed to standardize the implementation of the subsidy policy for the purchase and application of agricultural machinery, give full play to the policy benefits, and promote the high-quality development of agricultural mechanization throughout the whole process. Support the broad masses of farmers and agricultural production and operation organizations to purchase and use advanced and applicable agricultural machinery, and orderly include more advanced and applicable agricultural machinery into the subsidy scope. The central financial subsidy for the purchase and application of agricultural machinery shall be implemented as a fixed-amount subsidy. The Ministry of Agriculture and Rural Affairs and the Ministry of Finance shall organize the formulation of the highest subsidy amount for general-purpose agricultural machinery within the national subsidy scope, which provinces may determine within its subsidy scope according to no more than 30% of the average market sales price of products in the same category and grade in the previous year. Increase the subsidy amount for some key agricultural machinery, raising the calculation ratio from 30% to 35%.

III. LAWS AND REGULATIONS RELATED TO PRODUCTS

1. Installation and Maintenance

The Regulations on the Administration of Agricultural Machinery Maintenance (amended in 2019) issued by the former Ministry of Agriculture and the former State Administration for Industry and Commerce on May 10, 2006, stipulated that agricultural machinery maintenance services must be carried out in accordance with national and industry technical standards to ensure the maintenance quality and safety. Maintenance personnel must have professional qualifications to protect the legitimate rights and interests of the parties involved in agricultural machinery maintenance.

2. Intellectual Property Rights

Patent: The Patent Law of the People's Republic of China (amended in 2020) stipulates that a company may apply for invention, utility model or design patents according to the nature of relevant technical achievements. The term of an invention patent right is 20 years from the date of application, the term of a utility model patent right is 10 years from the date of application, and the term of a design patent right is 15 years from the date of application (for design patent rights applied for before June 1, 2021, the protection term is 10 years). For an invention completed by an employee in the performance of a task assigned by the employer or mainly using the employer's resources, the employer has the right to apply for a patent. Unless otherwise agreed between the employer and the employee, the employer shall be the patentee after the patent application is approved.

Trademark: The Trademark Law of the People's Republic of China (amended in 2019) stipulates that a company may register trademarks with the Trademark Office of the National Intellectual Property Administration. Registered trademarks include trademarks for goods, service marks, collective marks and certification marks. A registered trademark is valid for ten years from the date of approval of registration. If a registered trademark needs to be used continuously after the expiration of its validity period, it may be renewed every ten years. For a trademark application for registration, if the trademark is identical with or similar to a trademark that has been registered or preliminarily examined for the same kind of goods or services or for similar goods or services, the trademark registration application may be rejected. Any person applying for trademark registration shall not damage the existing prior rights of others, nor shall he/she preemptively register, by improper means, a trademark that has been used by others and has "a certain influence".

Domain Name: The Administrative Measures for Internet Domain Names stipulates that the Ministry of Industry and Information Technology is responsible for the supervision and management of domain name services nationwide. The communication administrative bureaus of all provinces shall supervise and manage the domain name services within their respective administrative regions. The principle of "first come, first served" shall be implemented for domain name registration services in principle. When a domain name registration service institution provides domain name registration services, it shall require the domain name registration applicant to provide the real, accurate and complete identity information of the domain name holder and other relevant information about domain name registration.

3. Product Quality and Product Liability

The Product Quality Law of the People's Republic of China (amended in 2018) issued by the Standing Committee of the National People's Congress on February 22, 1993, stipulated that producers and sellers must establish and improve an internal product quality management system, strictly implement the quality specifications, quality responsibilities and relevant assessment measures for each position. Product quality must pass standard inspections, and unqualified products shall not be used as standard products. Producers shall be responsible for the quality of their products and bear product quality responsibilities in accordance with the provisions of this law. If a product defect is caused by the fault of a product seller, the seller shall be liable to the user for any damage to any person or property caused by the relevant product. A victim who has suffered personal injury or property damage due to a product defect may claim compensation from the manufacturer of the product or from the seller of the product.

4. Work Safety

The Work Safety Law of the People's Republic of China (amended in 2021) issued by the Standing Committee of the National People's Congress on June 29, 2002, stipulated that production and operation entities must abide by relevant laws and regulations on work safety, establish sound safety management and responsibility systems, improve work safety conditions, promote the standardization of work safety, improve the work safety level, and ensure work safety. Production and operation entities that do not meet the work safety conditions stipulated by the Work Safety Law of the People's Republic of China and relevant laws, administrative regulations and national or industrial standards shall not engage in production and operation activities.

IV. LAWS AND REGULATIONS RELATED TO ENVIRONMENTAL PROTECTION

The Company's production business must comply with the Environmental Protection Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution and the Solid Waste Pollution Environment Prevention and Control Law of the People's Republic of China (hereinafter collectively referred to as the "Environmental Laws"). The environmental laws regulate various environmental matters, including air pollution, noise, sewage and waste discharge.

According to the Environmental Laws, all businesses that may cause environmental pollution and other public hazards must incorporate environmental protection measures into the Company's planning and establish a reliable environmental protection system. Such businesses must take effective measures to prevent and control the pollution degree and harm to the environment caused by waste gas, waste water, solid waste, dust, odorous gases, radioactive substances, noise, vibration and electromagnetic radiation generated in the processes of production, construction and other activities.

According to the Emissions control technical requirements of non-road diesel mobile machinery (HJ1014-2020) issued by the Ministry of Ecology and Environment on December 28, 2020, starting from December 1, 2022, all non-road mobile machinery with a power rating below 560 kW and their diesel engines shall comply with the requirements of China's Stage IV emission standards (referred to as "National IV Emission Standard").

V. REGULATIONS RELATED TO INTERNET INFORMATION SERVICE

Pursuant to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) promulgated by the State Council on September 25, 2000 and revised on January 8, 2011 and December 6, 2024 and came into effect on January 20, 2025 and the Administration Measures for the Filing of Not-for-profit Internet Information Services (《非經營性互聯網信息服務備案管理辦法》) released on February 8, 2005 by the former Ministry of Information Industry, effective from March 20, 2005 and last revised on January 18, 2024, internet information services are classified into "for-profit internet information services" and "not-for-profit internet information services". The national government has installed the filing system for not-for-profit internet information service. Whoever intends to provide not-for-profit internet information service through the websites visited via internet domain names or through the websites which can only be visited via IP address within the territory of the PRC shall go through filing procedures in accordance with law. Such not-for-profit internet information service provider shall, when its website is available, display its filing number at the central part on the bottom of its home page and link the URL of the filing administration system of the Ministry of Industry and Information Technology of the PRC (the "**MIIT**"), below the filing number for consultation and check by the public.

Mobile internet application is subject to monitoring by the Administrative Provisions on Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》) promulgated by the Cyberspace Administration of China (the "**CAC**") on June 28, 2016 and amended on June 14, 2022 and such amendment took effect on August 1, 2022. Under these provisions, the application providers shall establish sound information content review and management mechanism by erecting and improving measures such as user registration, account management, information review, daily inspection and emergency disposal and be staffed with professionals and technical ability appropriate to the service scale. Moreover, the application providers shall not conduct acts such as false advertising and bundled downloading, nor shall they use illegal and unhealthy information to induce users to download.

Pursuant to the Notice of the Ministry of Industry and Information Technology on the Record-filing of Mobile Internet Apps (《工業和信息化部關於開展移動互聯網應用程序備案工作的通知》), promulgated by the MIIT on July 21, 2023 and took effective on the same day, any APP sponsor that engages in Internet information services within the territory of the PRC shall go through the record-filing formalities in accordance with the Law of the People's Republic of China Against Telecommunications and Internet Frauds (《中華人民共和國反電信網絡詐騙法》), the Administrative Measures on Internet-based Information Services (《互聯網信息服務管理辦法》) and other regulations. Any APP sponsor that fails to complete the record-filing formalities shall not engage in APP Internet information services.

The Company's business includes Internet information services and operational e-commerce, and therefore must comply with the aforementioned laws and regulations related to Internet information service and cybersecurity.

VI. LAWS AND REGULATIONS RELATED TO INFORMATION AND CYBERSECURITY

On July 1, 2015, the SCNPC issued the National Security Law of the PRC (《中華人民共和國國家安全法》), which came into effect on the same day. The National Security Law provides that the state shall build a network and information security guarantee system and improve network and information security protection capability to realise the controllability and security of the network information key technologies and critical infrastructure and the information systems and data in important fields. In addition, a national security review and supervision system is required to be established to review, among other things, foreign investment, special items and key technologies and network information technology products and services, construction projects involving national security matters and other important activities that affect or are likely to affect national security of the PRC.

On November 7, 2016, the SCNPC promulgated the PRC Cybersecurity Law (《中華人民共和國網絡安全法》), which came into effect on June 1, 2017. A revised version was subsequently released on October 28, 2025 and took effect on January 1, 2026. The Law applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in China. Network service providers who do not comply with the PRC Cybersecurity Law may be subject to correction orders, warnings, fines, suspension of their businesses, shutdown of their websites, and revocation of their business licenses.

On June 10, 2021, the SCNPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》), which took effect on September 1, 2021, and imposes data security obligations and duties on entities and individuals carrying out data processing activities. It also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken according to respective data security protection grade. Violation of the PRC Data Security Law may be subject to an order to cease illegal activities, warnings, fines, suspension of business and revocation of business licenses or operating permits, and the personnel directly in charge or other directly responsible personnel may be imposed with fines.

VII. REGULATIONS RELATING TO PERSONAL INFORMATION PROTECTION

In recent years, PRC regulatory authorities have enacted laws and regulations on internet use to protect personal information from any unauthorised disclosure. The PRC Cybersecurity Law imposes certain data protection obligations on network operators, including that network operators may not disclose, tamper with, or damage the personal information that they have collected, or provide the personal information to others without obtaining consent from the persons whose information has been collected unless other required or permitted by applicable laws and regulations. Moreover, network operators are obligated to delete unlawfully collected information and to amend incorrect information.

On May 28, 2020, the NPC adopted the Civil Code of the PRC (《中華人民共和國民法典》), which came into effect on January 1, 2021. Pursuant to the Civil Code of the PRC, the personal information of a natural person shall be protected by the law. Any organisation or individual shall legally obtain such personal information of others when necessary and ensure the safety of such information, and shall not illegally collect, store, use, process or transmit personal information of others, or illegally buy or sell, provide or make public personal information of others.

On August 20, 2021, the SCNPC promulgated the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》), which took effect on November 1, 2021. Pursuant to the Personal Information Protection Law, "personal information" refers to any kind of information related to an identified or identifiable individual as electronically or otherwise recorded but excluding the anonymised information. A personal information processor may process the personal information of this individual only under the following circumstances: (i) where consent is obtained from the individual; (ii) where it is necessary for the execution or performance of a contract to which the individual is a party, or where it is necessary for carrying out human resource management pursuant to employment rules legally adopted or a collective contract legally concluded; (iii) where it is necessary for performing a statutory responsibility or statutory obligation; (iv) where it is necessary in response to a public health emergency, or for protecting the life, health or property safety of a natural person in the case of an emergency; (v) where the personal information is processed within a reasonable scope to carry out any news reporting, supervision by public opinions or any other activity for public interest purposes; (vi) where the personal information, which has already been disclosed by an individual or otherwise legally disclosed, is processed within a reasonable scope; or (vii) any other circumstance as provided by laws or administrative regulations. In principle, the consent of an individual must be obtained for the processing of personal information, except under the circumstances of the aforementioned items (ii) to (vii). Where personal information is to be processed based on the individual's consent, such consent shall be a voluntary and explicit indication of intent given by such individual on a fully informed basis. If laws or administrative regulations provide that the processing of personal information shall be subject to the separate consent or written consent of the individual concerned, such provisions shall prevail.

In addition, on December 29, 2011, the MIIT issued the Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), which took effect on March 15, 2012 and stipulates that internet information service providers may not collect any user personal information or provide any such information to third parties without the consent of the user, unless otherwise stipulated by laws and administrative regulations. An internet information service provider is also required to properly store users' personal information, and in case of any leak or any possibility of leak of the users' personal information, the internet information service provider must take immediate remedial measures and, when serious consequences have been caused or may be caused, make an immediate report to the telecommunications regulatory authority and cooperate with the relevant authorities in investigation. 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 SCNPC in 2012, and the Order for the Protection of Telecommunication and Internet User Personal Information

(《電信和互聯網用戶個人信息保護規定》), issued by the MIIT in 2013, any collection and use of a user's personal information must abide by the principles of legality, legitimacy and necessity, explicitly state the purpose, manners and scopes of the information collection and uses, obtain the consent of the user and shall not violate the provisions of laws, regulations and the agreement with the users. Any violation of these laws and regulations may subject the internet service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, closedown of websites or even criminal liabilities. On November 28, 2019, the CAC, the MIIT, the MPS and the SAMR jointly issued the Methods of Identifying Illegal Acts to Collect and Use Personal Information by APPs (《App違法違規收集使用個人信息行為認定方法》), which further illustrates certain common illegal practices of app operators in terms of personal information protection and specifies acts of app operators that will be deemed as "collection and use of personal information without users' consent".

VIII. LAWS AND REGULATIONS RELATED TO LABOR PROTECTION AND SOCIAL SECURITY

China has a large number of labor and safety regulations, including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Regulations on Work-Related Injury Insurance, the Regulations on Unemployment Insurance, the Trial Measures for Maternity Insurance for Enterprise Employees, the Interim Measures for the Administration of Social Insurance Registration, the Interim Regulations on the Collection and Payment of Social Insurance Premiums, and other relevant regulations, rules and provisions issued from time to time by relevant government agencies in China.

The Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China stipulate that an employer and an employee must sign a written labor contract to establish an employment relationship. The wage shall not be lower than the local minimum wage standard. The employer must establish a labor safety and hygiene system, strictly abide by Chinese standards, and provide relevant education to employees. The employer must also provide its employees with a safe and hygienic working environment in line with national regulations, and conduct regular health checks on employees engaged in hazardous work.

The Regulations on Work-Related Injury Insurance, the Trial Measures for Maternity Insurance for Enterprise Employees, the Social Insurance Law of the People's Republic of China, the Interim Regulations on the Collection and Payment of Social Insurance Premiums and the Interim Measures for the Administration of Social Insurance Registration stipulate that employers must pay social insurance for Chinese employees, including basic endowment insurance, unemployment insurance, maternity insurance, work-related injury insurance and basic medical insurance.

On September 21, 2018, the Ministry of Human Resources and Social Security of the PRC issued the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Enforcement Payment (《關於貫徹落實國務院常務

會議精神切實做好穩定社保費徵收工作的緊急通知》) which prohibits local authorities from unilaterally requiring all applicable companies to make up for historically underpaid or unpaid social insurance contributions in one go.

On July 31, 2025, the PRC Supreme People's Court promulgated the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in 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. Article 19(1) thereof stipulates that if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People's Court shall deem such agreement or undertaking 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, which clarifies that employees are entitled to request termination of their labor contracts and receive corresponding economic compensation under the PRC Labor Contract Law if the employer fails to make social insurance contributions in accordance with the law.

IX. LAWS AND REGULATIONS RELATED TO TAXATION

Enterprise Income Tax: The Enterprise Income Tax Law of the People's Republic of China and the Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China are the main laws and regulations for prescribing and managing enterprise income tax in China. According to the Enterprise Income Tax Law and the Implementation Regulations of the Enterprise Income Tax Law, enterprises are divided into resident enterprises and non-resident enterprises. A resident enterprise refers to an enterprise established within the territory of China in accordance with the law, or an enterprise established in accordance with the laws of a foreign (regional) country but with its actual management institution within the territory of China. A non-resident enterprise refers to an enterprise established in accordance with the laws of a foreign (regional) country and with its actual management institution not within the territory of China, but which has established an establishment or place within the territory of China, or an enterprise that has not established an establishment or place within the territory of China but has income sourced from within the territory of China. An enterprise income tax rate of 25% applies to all resident enterprises and non-resident enterprises that have established an establishment or place within the territory of China, and the relevant income of such non-resident enterprises is sourced from the establishment or place they have established within the territory of China, or although it is sourced from outside China, it has a real connection with the establishment or place they have established within the territory of China. The enterprise income tax of high-tech enterprises that need key support in China is reduced to a tax rate of 15%. Non-resident enterprises that have not established an establishment or place within the territory of China, or have established an establishment or place but the income of the above-mentioned enterprises has no real connection with the established establishment or place, must pay enterprise income tax at the rate of 10% on their income sourced from within the territory of China.

Value-Added Tax: According to the Announcement on Relevant Policies for Deepening the Reform of Value-Added Tax (Announcement No. 39 of 2019 of the Ministry of Finance, the State Taxation Administration, and the General Administration of Customs of the People's Republic of China), since April 1, 2019, for agricultural machinery products, when a general VAT taxpayer conducts VAT taxable sales activities or imports goods, the tax rate is reduced to 9%. According to the Notice of the Ministry of Finance and the State Taxation Administration on the Policy of Exempting and Levying Value-Added Tax on Certain Agricultural Means of Production (Caishui [2001] No. 113), the wholesale and retail of agricultural machinery are exempt from value-added tax. According to the Announcement on the Policy of Additional Deduction of Value-Added Tax for Advanced Manufacturing Enterprises (Announcement No. 43 of 2023 of the Ministry of Finance and the State Taxation Administration), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct 5% of the current deductible input tax amount to offset the payable value-added tax amount.

X. LAWS AND REGULATIONS RELATED TO OVERSEAS LISTING OF DOMESTIC ENTERPRISES

On February 17, 2023, the China Securities Regulatory Commission (CSRC) issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Notice on the Arrangement of the Filing Management for Overseas Issuance of Securities and Listing by Domestic Enterprises and the corresponding guidelines (collectively referred to as the "Filing Measures").

According to the Filing Measures, Chinese domestic enterprises that issue securities overseas directly or indirectly or list their securities for trading overseas must file with the CSRC within three working days after submitting the listing application documents to the relevant regulatory authorities of the intended listing place. When a domestic enterprise issues securities overseas directly or lists its securities for trading overseas, it means that a joint stock limited company registered within the territory of China issues securities overseas or lists its securities for trading overseas. When a domestic enterprise issues securities overseas indirectly or lists its securities for trading overseas, it means that an enterprise whose main business operations are within the territory of China, in the name of an overseas enterprise, issues securities overseas or lists securities for trading overseas based on the equity, assets, earnings or other similar rights and interests of the domestic enterprise. The determination of the overseas indirect listing of a domestic enterprise should be based on substance over form.

XI. PROVISIONS RELATED TO ISSUANCE

The Conclusions and Further Consultation Paper on Proposals to Optimise IPO Price Discovery and Open Market Requirements was issued by The Stock Exchange of Hong Kong Limited (SEHK) on August 1, 2025. This document has made revisions to the contents of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited that relate to the minimum public shareholding ratio, tradable share ratio and issuance structure.