## MAIN POLICIES AND REGULATIONS GOVERNING OUR BUSINESS ACTIVITIES IN CHINA

The Standing Committee of the National People's Congress (the "**NPC Standing Committee**") promulgated the Energy Conservation Law of the People's Republic of China (the "**Energy Conservation Law**") on November 1, 1997, which became effective on January 1, 1998. The Energy Conservation Law has undergone three amendments, with revisions in 2007 and corrections in 2016 and 2018. During the 2007 revision, the Energy Conservation Law established "resource conservation" as a fundamental national policy in legal form for the first time, laying the legal foundation for energy efficiency management.

Starting from 2017, the MIIT successively issued the Guiding Opinions on Strengthening Energy Conservation and Emission Reduction in the Information and Communication Industry during the 13th Five-Year Plan Period and the Guiding Opinions on Strengthening the Construction of Green Data Centers, further emphasizing the path of green and low-carbon development, clarifying constraints on total energy consumption control and power usage effectiveness ("**PUE**"), and strengthening the government's overall planning and industry regulatory responsibilities.

In 2020, President Xi Jinping announced at the General Debate of the 75th Session of the United Nations General Assembly that China would strive to achieve carbon peak by 2030 and carbon neutrality by 2060 (the "**dual carbon**" goals). As a key area of energy consumption, the green and low-carbon construction and operation of data centers have become a crucial link in implementing the "dual carbon" goals. To this end, the National Development and Reform Commission (the "**NDRC**"), in collaboration with multiple departments, has successively issued documents such as the Implementation Plan for Promoting the Green and High-Quality Development of Data Centers, 5G and Other New Infrastructure in Line with Carbon Peak and Carbon Neutrality Goals and the Several Opinions on Strictly Implementing Energy Efficiency Constraints to Promote Energy Conservation and Carbon Reduction in Key Areas, promoting the green and intensive development of data centers and supporting the national carbon reduction strategy.

Since 2021, in accordance with the 14th five-year plan outline and relevant implementation plans, the State has successively issued policies at the national level, including the Implementation Plan for National Computing Power Hubs in the Collaborative Innovation System of National Integrated Big Data Centers, the 14th Five-Year Plan for the Development of the Information and Communication Industry, and the Action Plan for the High-Quality Development of Computing Infrastructure, which policies guide the construction of national hub nodes for big data centers in key regions across the country, promote resource sharing, modular deployment and energy efficiency improvement, and facilitate the green transformation and technological innovation of old data centers.

In December 2023, the NDRC, in conjunction with multiple departments, issued the Implementation Opinions on Deepening the Implementation of the "East Data and West Computing" Project to Accelerate the Construction of a National Integrated Computing Power Network, which explicitly propose promoting energy conservation and consumption reduction in data centers, including continuously carrying out the construction of green data centers, strengthening intelligent energy management in data centers, conducting energy consumption monitoring, analysis and load forecasting in data centers, optimizing the overall operational efficiency of the power systems in data centers, promoting energy-saving and carbon-reducing transformations of energy-consuming equipment in data centers, popularizing advanced cooling technologies such as liquid cooling, optimizing the operational time periods of data center loads, enhancing the flexible regulation and response capabilities of data center loads, etc., promoting the greening of backup power supplies in data centers, as well as strengthening full-chain energy conservation management, strictly implementing energy conservation reviews and inspections, and improving the energy utilization efficiency and renewable energy utilization rate of data centers.

In August 2024, ten departments, including the Cyberspace Administration of China (the "**CAC**") and the NDRC, jointly issued the Implementation Guidelines for the Collaborative Transformation and Development of Digitalization and Greening, aiming to accelerate the green and low-carbon development of the digital industry and promote the green transformation of key areas such as data centers. These Guidelines propose reducing energy consumption during the construction of data centers, strengthening research on energy-saving technologies, and developing high-energy-efficiency liquid-cooled server clusters. Specific measures include encouraging the promotion of standardized and large-scale prefabricated module construction for data centers to shorten construction cycles and improve deployment efficiency; strengthening research on technologies to improve the energy efficiency of cooling systems, such as high-density integrated efficient IT equipment, cold and hot aisle containment, blanking panel sealing, DC frequency conversion, indirect evaporative cooling, liquid cooling and AI algorithms; supporting the development of liquid-cooled server clusters and reducing the cost of using liquid cooling technology; and encouraging relevant institutions such as enterprises, universities and research institutes to conduct research on key liquid cooling technologies, standard formulation and other work to form a consensus on industrial construction and promote a sound industrial ecosystem.

In terms of energy efficiency standards, the State Administration for Market Regulation and the Standardization Administration of China issued the mandatory national standard, i.e., Limit Values and Energy Efficiency Grades for Data Centers (GB 40897-2021) in October 2021, which became effective on November 1, 2022. This standard classifies data center energy efficiency into three levels, with Level 1 being PUE ≤ 1.20, Level 2 being PUE ≤ 1.30 and Level 3 being PUE ≤ 1.50. It also stipulates that the maximum allowable value of the power usage ratio for data centers corresponds to Energy Efficiency Level 3. The NDRC in conjunction with other departments further issued the Special Action Plan for the Green and Low-Carbon Development of Data Centers in July 2024, which plan explicitly states that by the end of 2025, the PUE of newly built, reconstructed and expanded large and extra-large data centers should be reduced to below 1.25, and the PUE of projects in national hub nodes should not exceed 1.20, indicating a regulatory orientation of continuously tightening energy efficiency requirements. Meanwhile, the Plan also encourages the promotion and application of efficient cooling and heat dissipation technologies such as liquid cooling, evaporative cooling, heat pipes and fluorine pumps, improves the utilization rate of natural cold sources, and supports the collaboration of artificial intelligence energy conservation and intelligent operation and maintenance systems to achieve efficient linkage and green operation of computing power, storage, network and infrastructure resources.

## LAWS AND REGULATIONS ON CYBERSECURITY, DATA SECURITY AND PERSONAL INFORMATION PROTECTION

### Cybersecurity and Data Security

On November 7, 2016, the NPC Standing Committee promulgated the Cybersecurity Law of the People's Republic of China (the "**Cybersecurity Law**"), which became effective on June 1, 2017, aiming to protect the security and order of cyberspace. The Cybersecurity Law defines "network" as a system composed of computers or other information terminals and related equipment that collects, stores, transmits, exchanges and processes information according to certain rules and procedures. It also defines "network operators" as network owners and managers, and network service providers.

According to the Cybersecurity Law, network operators collecting and using personal information shall follow the principles of "legality, legitimacy and necessity", publicly disclose the rules for collection and use, clearly state the purposes, methods and scope of collection and use, and obtain the consent of the individuals whose information is collected. At the same time, network operators are obligated to undertake multiple security protection-related obligations, including: (i) fulfilling security protection obligations in accordance with the protection requirements of the cybersecurity classification system, including formulating internal security management systems and operational procedures, designating persons responsible for cybersecurity, implementing cybersecurity protection responsibilities, taking technical measures to prevent cybersecurity behaviors such as computer viruses, network attacks and network intrusions, taking technical measures to monitor and record network operation status and cybersecurity incidents, retaining relevant network logs for no less than six months as required, and taking measures such as data classification, as well as important data backup and encryption; (ii) formulating emergency plans for cybersecurity incidents, promptly addressing security risks such as system vulnerabilities, computer viruses, network attacks and network intrusions; immediately activating emergency plans in the event of cybersecurity incidents, taking corresponding remedial measures, and reporting to relevant competent authorities as required; and (iii) providing technical support and assistance to public security organs and state security organs in their lawful activities to maintain national security and investigate crimes. Network operators who fail to comply with the Cybersecurity Law may be ordered to suspend relevant businesses, halt operations for rectification, shut down websites, revoke relevant business licenses, or revoke business licenses. If a crime is constituted, they shall be held criminally responsible according to law.

On June 10, 2021, the NPC Standing Committee promulgated the Data Security Law of the People's Republic of China (the "**Data Security Law**"), which became effective on September 1, 2021. The Data Security Law defines "data" as any record of information in electronic or other forms and defines "data processing" as the collection, storage, use, processing, transmission, provision, and disclosure of data. The Data Security Law stipulates that when relevant entities are conducting data processing activities, they should establish a sound full-process data security management system as per legal and regulatory requirements, organize data security education and training, and take corresponding technical measures and other necessary measures to safeguard data security. When conducting data processing activities via information networks such as the Internet, they should fulfill the above data security protection obligations on the basis of the cybersecurity classification protection system. Additionally, the Data Security Law introduces a data classification system and a graded protection system. Appropriate levels of protection measures must be taken for various types of data. Meanwhile, the State establishes a data security review system to conduct national security reviews on data processing activities that affect or may affect national security. Those violating the Data Security Law may result in being ordered to make corrections, receiving warnings, suspending relevant businesses, halting operations for rectification, revoking relevant business licenses, or revoking business licenses. The relevant responsible persons or other directly responsible persons may also be fined. If a crime is constituted, they shall be held criminally responsible according to law. According to the Data Security Law, violators may be fined up to RMB10 million.

On March 22, 2024, the CAC issued the Provisions on Promoting and Regulating Cross-Border Data Flow (the "**Provisions on Cross-Border Data Flow**"), which require that data processors other than operators of critical information infrastructure are exempt from declaring a security assessment for cross-border data transfer, concluding a standard contract for the cross-border transfer of personal information, and obtaining personal information protection certification, provided that they have cumulatively provided non-sensitive personal information of less than 100,000 individuals overseas since January 1 of the current year.

On September 24, 2024, the State Council issued the Regulations on the Security Management of Network Data (the "**Regulations on Network Data**"), which became effective on January 1, 2025. The Regulations on Network Data stipulate that when network data processors conduct network data processing activities that affect or may affect national security, a national security review should be conducted in accordance with relevant national regulations. Furthermore, the Regulations on Network Data also impose other specific requirements on the data processing activities conducted by data processors from the aspects of personal information protection, important data security, cross-border security management of network data, and obligations of network platform service providers. Network data processors should identify and declare important data in accordance with relevant national regulations. For data confirmed as important, the relevant regions and departments should promptly notify or publicly announce it to network data processors. Network data processors should fulfill their responsibilities for network data security protection. Processors of important data should designate persons responsible for network data security and management agencies for network data security. Management agencies for network data security should fulfill their responsibilities for data security protection. Processors of important data should conduct risk assessments of their data processing activities annually and submit risk assessment reports to relevant competent authorities at or above the provincial level. The relevant competent authorities should promptly notify the cyberspace administrations and public security organs at the same level. Network platform service providers should clarify the data security protection obligations of third-party product and service providers on their platforms through platform rules or contracts, and urge third-party product and service providers to strengthen network data security management. When network platform service providers use automated decision-making methods to push information to individuals, they should provide easily understandable, accessible and operable options for turning off personalized recommendations, and offering users the functions to refuse to receive pushed information and delete user labels as tailored to their personal characteristics.

According to the Administrative Measures for Data Security in the Field of Industry and Information Technology (for Trial Implementation) (the "**MIIT Data Security Measures**") promulgated by the MIIT on December 8, 2022, and effective on January 1, 2023, data processing activities in the field of industry and information technology as conducted within the territory of the People's Republic of China must abide by these Measures. These activities include the collection and generation of data during research and development, production and manufacturing, operation management, operation and maintenance, as well as platform operation in the industrial field. The MIIT Data Security Measures stipulate that industrial and telecommunications data processors must implement data classification and grading, specify data security obligations and responsibilities for data processors in the field of industry and information technology, including taking protection measures according to the corresponding data level, establishing a management system covering the entire data lifecycle, and appointing data security management personnel as needed to oversee the safety supervision and management of data processing activities, and to assist industry regulatory authorities in carrying out related work.

**Personal Information Protection**

Pursuant to the Civil Code of the People's Republic of China (the "**Civil Code**") promulgated by the National People's Congress (the "**NPC**") on May 28, 2020, and which became effective on January 1, 2021, the personal information of natural persons is protected by law. Any organization or individual that needs to obtain the personal information of others should do so in accordance with the law and ensure information security, but they must not illegally collect, use, process, transmit, trade, provide or publicly disclose the personal information of others.

On August 20, 2021, the NPC Standing Committee promulgated the Personal Information Protection Law of the People's Republic of China (the "**Personal Information Protection Law**"), which became effective on November 1, 2021. The Personal Information Protection Law reiterates the circumstances under which personal information processors can process personal information and the requirements for these circumstances, such as: (1) obtaining the consent of the individual; (2) being necessary for the conclusion and performance of a contract to which the individual is a party; (3) being necessary for the performance of statutory duties and legal obligations; (4) being necessary to respond to public health emergencies or protect the life, health and property safety of natural persons in emergency situations; (5) processing personal information that has been publicly disclosed by the individual or otherwise legally publicly disclosed within a reasonable scope; (6) processing personal information within a reasonable scope for activities such as news reporting and public opinion supervision for the public interest; or (7) other circumstances specified by laws and regulations. No organization or individual may illegally collect, use, process, transmit, trade, provide or publicly disclose the personal information of others, and they must not engage in personal information processing activities that endanger national security or public interest. In terms of cross-border transmission of personal information, pursuant to the Personal Information Protection Law, personal information processors who provide personal information outside the territory of the People's Republic of China must inform the individual of the name or identity and contact information of the overseas recipient, the purpose and method of processing, the type of personal information, and the ways for the individual to exercise rights against the overseas recipient, among other matters, and must obtain the individual's separate consent. On the other hand, personal information processors shall take necessary measures to ensure that personal information processing activities comply with the provisions of laws and administrative regulations, and prevent unauthorized access, as well as the leakage, tampering or loss of personal information, based on the purpose and method of processing, the type of personal information, the impact on personal rights and interests, and potential security risks. According to the Notice of the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security on Punishing Criminal Activities Infringing upon Citizens' Personal Information According to Law issued on April 23, 2013, Article 253 of the Criminal Law of the People's Republic of China, and the Interpretation of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues Concerning the Application of Law in Handling Criminal Cases of Infringing upon Citizens' Personal Information issued on May 8, 2017, and effective from June 1, 2017, the following acts may constitute the crime of infringing upon citizens' personal information: (i) providing citizens' personal information to specific individuals or publishing it through information networks or other means in violation of relevant national regulations; (ii) providing legally collected citizens' personal information to others without the consent of the collected individuals (except when processed in a way that makes it impossible to identify specific individuals and cannot be restored); (iii) collecting citizens' personal information in violation of relevant rules and regulations during the performance of duties or the provision of services; or (iv) acquiring citizens' personal information through purchase, acceptance, exchange or other means in violation of relevant rules and regulations.

## LAWS AND REGULATIONS ON WORK SAFETY

### Work Safety

Pursuant to the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) which was promulgated by the SCNPC on June 29, 2002, amended on June 10, 2021 and implemented on September 1, 2021, production and operating business entities must establish objectives and measures for work safety and improve the working environment and conditions for workers in a planned and systematic way. A work safety protection scheme must also be set up to implement the work safety job responsibility system. In addition, production and operating business entities must arrange work safety training and provide the employees with protective equipment that meets the national or industrial standards. Furthermore, production and operating business entities shall report their major hazard sources and related safety and emergency measures to the emergency management department and other relevant departments for the record, establish a safety risk grading control system and take corresponding control measures.

## LAWS AND REGULATIONS ON LAND, PLANNING AND PROJECT CONSTRUCTION

### Land

Pursuant to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986 and latest amended on August 26, 2019, and the Implementing Regulation for the Land Administration Law of the PRC (《中華人民共和國土地管理法實施條例》) promulgated by the State Council on December 27, 1998 and latest amended on July 2, 2021, the land in the PRC is either State-owned or collectively-owned. Except for land which is legally owned by the State or has been expropriated as State-owned according to law, all of the land is collectively-owned. The State-owned land use rights may be used by third parties through grant, allocation, lease, capital contribution and other forms. Third parties who have obtained the State-owned land use rights may legally use, profit from and dispose of the State-owned land use rights within the statutory term of use and scope of planned uses.

**Planning**

Pursuant to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007 and latest amended on April 23, 2019, if the construction of buildings, structures, roads, pipelines and other projects is carried out in the planned area of a city or a town, the construction entity or individual shall apply to the competent authority of urban and rural planning of the people's government of the city or county or the people's government of the town as determined by the people's government of the province, autonomous region or municipality directly under the Central Government for a construction project planning permit. Where construction is carried out without obtaining the construction project planning permit or not in accordance with the provisions of such 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 planning implementation 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 price shall be imposed. If the impact cannot be eliminated through corrective measures, a deadline for demolition shall be ordered; if demolition is not possible, the physical structure or the illegal income shall be confiscated, and a fine of up to 10% of the construction price may be imposed.

**Project Construction**

Pursuant to the Construction Law of the PRC (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997 and amended on April 23, 2019, prior to the commencement of construction work, the construction entity shall apply to the competent construction administrative authority of the people's government at or above the county level where the project is located for a construction permit in accordance with the relevant provisions of the State, except for small-scale projects under the quota as determined by the construction administrative authority under the State Council. Pursuant to the Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) latest amended and implemented by the State Council on April 23, 2019, if a construction entity commencing the project without obtaining the construction work commencement permit or approvals for its construction commencement report, it violates the provisions of these regulations, and shall be ordered to stop the construction work, make corrections and pay a fine of not less than 1% but not exceeding 2% of the construction price. A construction project shall not be delivered for use unless it has passed the acceptance inspection. Projects that have not undergone inspection or fail to meet acceptance standards shall not be delivered for use.

Pursuant to the Regulations on Qualification Management of Construction Enterprises (《建築業企業資質管理規定》) issued by the Ministry of Housing and Urban-Rural Development of the People's Republic of China (the "**MOHURD**") on January 22, 2015 and last amended on December 22, 2018, construction enterprises engaged in construction activities shall apply for and obtain qualification certificates of the corresponding grade in accordance with the law, and shall undertake projects within the business scope permitted by their qualification grade. When applying for qualifications, an enterprise must meet the requirements stipulated in the Criterion for Qualification of Construction Enterprises regarding its assets, key personnel and technical equipment. Competent departments of housing and urban-rural development will conduct supervision and inspections to verify whether enterprises that have obtained qualifications continue to meet the criteria set by the qualification standards. If an enterprise is found to no longer comply with the corresponding qualification conditions during a dynamic verification, the competent authority shall order it to make corrections within a specified time limit. If the enterprise still fails to meet the requirements of the qualification standards after the deadline, the original qualification granting authority may revoke its qualification certificate. During the rectification period, the enterprise is prohibited from applying for upgrades or additional categories of construction enterprise qualifications, and is also barred from undertaking new projects.

Pursuant to the Construction Enterprise Qualification Standards (《建築業企業資質標準》) implemented by the MOHURD on January 1, 2015 and its amendments, construction project general contracting projects shall be undertaken by enterprises that have obtained the corresponding general contracting qualification for construction. Enterprises that have obtained the general contracting qualification for construction may undertake all specialized engineering works within the scope of their contracted general construction projects or may subcontract specialized works in accordance with the law. When subcontracting specialized works that require qualifications, they must subcontract to enterprises possessing the corresponding specialized contracting qualifications. When subcontracting labor services, they must subcontract to enterprises possessing construction labor qualifications.

## LAWS AND REGULATIONS ON FIRE SAFETY

Pursuant to the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》) adopted at the 2nd meeting of the 9th SCNPC on April 29, 1998, and latest amended at the 28th meeting of the 13th SCNPC on April 29, 2021, as well as the Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of Construction Projects (《建設 工程消防設計審查驗收管理暫行規定》) issued by the Ministry of Housing and Urban-Rural Development on April 1, 2020, amended on August 21, 2023 and effective on October 30, 2023, the construction entity of a large-scale crowded venue (including the construction of a manufacturing plant whose size is over 2,500 square meters) and other special construction projects must apply for fire prevention design review with fire control authorities, and complete fire assessment inspection and acceptance procedures after the construction project is completed. The construction entity of other construction projects must complete the filing for fire prevention design and the fire safety completion inspection and acceptance procedures within five business days after passing the construction completion inspection and acceptance. If a construction project fails to pass the fire safety inspection before being put into use, or is found not to meet fire safety requirements after the inspection, it shall be ordered to suspend construction, cease operation or halt business, and shall be imposed a fine.

## LAWS AND REGULATIONS ON LEASING

Pursuant to the Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》), which became effective in January 1995 and was most recently amended on August 26, 2019 with effect from January 1, 2020, the lessor and the lessee shall enter into a written lease contract specifying terms such as the lease term, purpose of the lease, lease price, maintenance and repair liability, as well as other rights and obligations of both parties. Both the lessor and the lessee are required to register the lease contract with the real estate administration authorities. In accordance with the implementation rules stipulated by certain provinces and municipalities, if the lessor and the lessee fail to complete such registration, both parties may be subject to fines.

Pursuant to the Civil Code promulgated by the NPC on May 28, 2020 and implemented on January 1, 2021, the lease term may not exceed twenty years. Any term exceeding twenty years shall be void. Upon the expiration of the lease term, the parties may renew the lease contract; however, the agreed lease term may not exceed twenty years commencing from the date of renewal. It also stipulates that the failure of the parties to complete the registration and filing procedures for the lease contract as required by laws and administrative regulations shall not affect the validity of the contract. Furthermore, the lessee may sublease the leased property to a third party with the consent of the lessor. In the event of subleasing by the lessee, the lease contract between the lessee and the lessor remains valid. If the leased property suffers damage due to acts of the third party, the lessee shall be liable for compensation. Should the lessee sublease without the lessor's consent, the lessor may terminate the contract. Where the lessee, with the lessor's consent, subleases the leased property to a third party for a term exceeding the remaining duration of the original lease, the agreed terms regarding the excess period shall not be legally binding upon the lessor, unless otherwise agreed between the lessor and the lessee.

## LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY

### Copyright

On September 7, 1990, the SCNPC promulgated the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), which was effective on June 1, 1991 and amended on October 27, 2001, February 26, 2010 and November 11, 2020, respectively. The Copyright Law of the People's Republic of China stipulates that Chinese citizens, legal persons, or other organizations shall, whether published or not, own copyright in their copyrightable works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. In addition, internet activities, products disseminated through the internet and software products are also entitled to copyright protection. The voluntary registration system administered by the China Copyright Protection Center has been launched.

### Trademarks

The Trademark Law of the People's Republic of China (《中華人民共和國商標法》) was promulgated by the SCNPC on August 23, 1982, and subsequently amended on February 22, 1993, October 27, 2001, August 30, 2013 and April 23, 2019, respectively. The Implementing Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》) was promulgated by the State Council on August 3, 2002 and amended on April 29, 2014. Trademarks are protected under these regulations. The Trademark Office is responsible for the registration of the trademark and grants the registered trademark a term of ten years, which may be renewed for another ten years upon the request of the trademark holder upon expiration. The trademark registrant may license others to use its registered trademark by concluding a trademark license contract. The trademark license contract must be submitted to the Trademark Office for filing. The licensor shall supervise the quality of the goods on which the licensee uses the registered trademark. The licensee shall guarantee the quality of the goods using the registered trademark. The Trademark Law of the People's Republic of China adopts the "first come, first file" principle for trademark registration. If a trademark applied for registration is identical or similar to a trademark already registered or preliminarily approved by another party for the same or similar goods or services, the trademark application shall be rejected. An application for trademark registration may not prejudice the existing prior rights of others, nor may it, by fraudulent means, preemptively register a trademark that has been used by another party and has acquired a "certain influence". The trademark license contract shall be submitted to the Trademark Office or local trademark acceptance windows for filing.

### Patents

In accordance with the Patent Law of the People's Republic of China (《中華人民共和國專利法》), which was promulgated by the NPCSC on March 12, 1984, and last amended on October 17, 2020 (with the latest version taking effect on June 1, 2021), as well as the Implementation Regulations for the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on December 21, 1992 and January 9, 2010, and last amended on December 11, 2023, patent in PRC shall be categorized as invention, utility model and design. The duration of patent rights for an invention shall be 20 years, the duration of patent rights for a utility model shall be 10 years and the duration of patent rights for a design shall be 15 years, commencing from the filing date.

### Domain Names

In accordance with the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》), which was promulgated by the MIIT on August 24, 2017 and took effect on November 1, 2017, the Implementing Rules for the Registration of National Top-level Domain Names (《國家頂級域名註冊實施細則》) and Procedural Rules for Resolution of Disputes over National Top-level Domain Names (《國家頂級域名爭議解決程序規則》) which were promulgated by China Internet Network Information Centre on June 18, 2019 and took effect on the same date, the domain name registration services shall in principle implement the "first-apply-first-register" practice. Where the corresponding detailed rules for domain name registration stipulate otherwise, such provisions shall prevail. The applicants become domain name holders upon successful registration. The domain name dispute resolution institution, recognized and authorized by the China Internet Network Information Center, is responsible for resolving domain name disputes.

In accordance with the Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Providing Internet-based Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》), which was promulgated by the MIIT on November 27, 2017 and took effect on January 1, 2018, the Internet access service provider concerned shall check the real identity information of the domain name registrant via the Record-filing System, and shall not provide access services if the Internet-based information service provider fails to provide real identity information or the identity information provided is inaccurate or incomplete, with the exception of domain names that have been filed for record with the Record-filing System prior to the effectiveness of this Notice.

## LAWS AND REGULATIONS ON LABOR AND SOCIAL SECURITY

### Employment Relationship

The Labor Law of the People's Republic of China (《中華人民共和國勞動法》) was promulgated by the NPCSC on July 5, 1994, took effect on January 1, 1995, and last amended on December 29, 2018, the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) was promulgated by the NPCSC on June 29, 2007, taking effect on January 1, 2008, last amended on December 28, 2012 and took effect on July 1, 2013, and the Regulations for the Implementation of the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council and took effect on September 18, 2008, when establishing an employment relationship, the employer and the laborer shall sign a written labor contract. In addition, wages shall not be lower than the local standards on minimum wages. The employer shall establish a labor safety and health system, strictly implement national labor regulations and standards, educate laborers on labor safety and health, provide labor safety and sanitation conditions meeting State stipulations and necessary articles of labor protection, and carry out regular health examination for laborers engaged in work with occupational hazards.

### Social Insurance and Housing Provident Fund

The Social Insurance Law of the People's Republic of China was promulgated by the SCNPC on October 28, 2010, last amended on December 29, 2018, and took effect on the same day. Employers are required to contribute to multiple social insurance funds for employees, including basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance, and maternity insurance. Employers who fail to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times of the amount in arrears.

Pursuant to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) which was promulgated by the State Council on April 3, 1999, last amended on March 24, 2019, and took effect on the same date, an employer shall make registration of contribution to the housing provident fund with the housing provident fund management center, and go through the formalities of opening housing provident fund accounts on behalf of its employees. If an employer fails to undertake contribution registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed. If an employer is overdue in the contribution of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement. According to the Interpretation of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (II) (《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)》) (FaShi [2025] No.12 ("**the Interpretation**"), which took effect on September 1, 2025, Where an employer and a worker agree, or a worker promises to the employer, that social insurance contributions need not be paid, the people's court shall determine such agreement or promise to be invalid. Where an employer fails to pay social insurance contributions in accordance with the law, and the worker requests to terminate the labor contract and demands the employer to pay economic compensation pursuant to Item 3, Article 38 of the Labor Contract Law, the people's court shall support such claim in accordance with the law. If, under the circumstances specified in the preceding paragraph, the employer has paid the social insurance contributions in accordance with the law and subsequently requests the worker to return the compensation for social insurance contributions already paid, the people's court shall support such claim in accordance with the law.

## LAWS AND REGULATIONS ON FOREIGN INVESTMENT ACCESS

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), which was promulgated by the NPC on March 15, 2019 and implemented on January 1, 2020, establishes the management system for pre-access national treatment and negative list for foreign investment in the PRC. "Pre-access national treatment" means that foreign investors and their investments shall be treated no less favorably than domestic investors and their investments at the stage of investment access; "negative list" refers to the special administrative measures for access of foreign investment in specific fields as prescribed by the PRC. The PRC gives national treatment to foreign investment outside the negative list. In addition, the Regulation for Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Regulations**"), which came into effect on January 1, 2020, further stipulates that the PRC shall, according to the needs of national economic and social development, formulate a catalog of encouraged foreign-invested industries, and specify the specific industries, fields and regions in which foreign investors are encouraged and guided to invest.

The NDRC and the MOFCOM jointly issued the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**2024 Negative List**") on Septemper 6, 2024, which took effect on November 1, 2024, to replace the previous encouraging catalog and negative list thereunder. Pursuant to the Foreign Investment Law, the Implementation Regulations and the 2024 Negative List, foreign investors shall not make investments in prohibited industries as specified in the negative list, while foreign investments must satisfy certain conditions stipulated in the negative list for investment in restricted industries. Industries not listed in the negative list are generally deemed "permitted" for foreign investments.

## LAWS AND REGULATIONS ON ANTI-MONOPOLY AND ANTI-UNFAIR COMPETITION

### Anti-Monopoly

According to the Anti-Monopoly Law of the PRC (《中華人民共和國反壟斷法》) (the "**Anti-Monopoly Law**") which was promulgated by the SCNPC on August 30, 2007 and last amended on June 24, 2022, the Anti-Monopoly Law prohibits monopolistic conduct such as entering into monopoly agreements, abuse of dominant market position and concentration of undertakings that have the effect of eliminating or restricting competition. Pursuant to the Anti-Monopoly Law, the relevant operators of a concentration of undertakings which reaches the standard for declaration shall make an advance declaration to the anti-monopoly law enforcement authority under the State Council, and shall not be implemented without such declaration.

On February 7, 2021, the Anti-Monopoly Committee of the State Council promulgated the Anti-Monopoly Guidelines for the Internet Platform Economy Sector (《關於平台經濟領域的反壟斷指南》) which stipulates that any concentration of undertakings involving control through contractual arrangement shall fall within the scope of anti-monopoly review.

### Anti-Unfair Competition

In accordance with 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**"), promulgated by the NPC on September 2, 1993, latest revised on June 27, 2025 and took effect on October 15, 2025, a business operator shall not conduct any false or misleading commercial publicity in respect of the performance, functions, quality, sales, user reviews, and honors received of its commodities, in order to defraud or mislead consumers. The Anti-Unfair Competition Law also stipulates that a business operator engaging in production or distribution activities online shall abide by the provisions of the Anti-Unfair Competition Law. No business operator may, by technical means to affect users' options, among other things, commit the acts of interfering with or sabotaging the normal operation of online products or services legally provided by another business operator.

In addition, according to the Anti-Unfair Competition Law, a business operator is prohibited from any of the following unfair activities: (i) committing act of confusion to mislead a person into believing that a commodity is one of another person or has a particular connection with another person; (ii) seeking transaction opportunities or competitive edges by bribing relevant entities or individuals with property or by any other means; (iii) infringing trade secrets; (iv) premium campaign violating the provision of the Anti-Unfair Competition Law; and (v) fabricating or disseminating false or misleading information to damage the goodwill or commodity reputation of a competitor.

On August 17, 2021, the SAMR issued a discussion draft of Provisions on the Prohibition of Unfair Competition on the Internet (《禁止網絡不正當競爭行為規定(公開徵求意見稿)》), under which business operators should not use data or algorithms to hijack traffic or influence users' choices, or use technical means to illegally capture or use other business operator' data.

Furthermore, business operators are not allowed to (i) fabricate or spread misleading information to damage the reputation of competitors, or (ii) employ marketing practices such as fake reviews or use coupons or "red envelopes" to entice positive ratings.

## LAWS AND REGULATIONS ON OVERSEAS [REDACTED] AND [REDACTED]

On February 17, 2023, with the approval of the State Council, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (hereinafter referred to as the "**Overseas Listing Trial**

**Measures**") and five relevant guidelines, which came into force on March 31, 2023. According to the Overseas Listing Trial Measures, (i) PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; if a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, it may be subject to administrative penalties, such as order to rectify, warnings and fines, and its controlling shareholders, de facto controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines; (ii) direct overseas offering and listing by domestic companies refers to the overseas offering and listing of the companies limited by shares registered and established in the PRC; and (iii) any companies limited by shares registered and established in the PRC are required to file with the CSRC within three business days after its application document of overseas listing is submitted. Failure to complete the filing under the Overseas Listing Trial Measures may subject a PRC domestic company to a rectification order issued by the CSRC, warnings, and a fine of RMB1 million to RMB10 million.

Besides, domestic companies seeking to overseas offering and listing shall strictly comply with the laws, administrative regulations and relevant provisions of the PRC government on foreign investment, State-owned asset management, industry regulation, overseas investment, cybersecurity, data security, etc., shall not disrupt domestic market order, and shall not harm national interests, public interests and the legitimate rights and interests of domestic investors. A domestic company that conducts overseas offering and listing shall (i) formulate its articles of association, improve its internal control system and standardize its corporate governance, financial affairs and accounting activities in accordance with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Accounting Law of the People's Republic of China (《中華人民共和國會計法》) and other PRC laws, administrative regulations and applicable provisions; (ii) abide by the legal system of the PRC on confidentiality and take necessary measures to fulfill its confidentiality responsibility, shall not divulge any state secret or the work secrets of state organs, and shall also comply with laws, administrative regulations and the relevant provisions of the PRC if it is involved in the overseas provision of personal information and important data. In addition, the Overseas Listing Trial Measures also list out the circumstances where overseas offering and listing is explicitly prohibited, including: (i) such securities offering and listing is explicitly prohibited by specific PRC laws and regulations; (ii) that constitutes a threat to or endangers national security; (iii) the PRC domestic company, or its controlling shareholder(s) and de facto controller(s), have committed relevant crimes such as corruption, bribery, misappropriation of property or undermining the order of the socialist market economy during the last three years; (iv) the domestic company is currently under investigations for alleged criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over the equity held by the controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or de facto controller(s).

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (hereinafter referred to as the "**Provision on Confidentiality**"), which came into force on March 31, 2023. According to the Provision on Confidentiality, where any PRC domestic company provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic companies providing accounting archives or copies thereof to entities and individuals including securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by securities companies and securities service institutions that provide corresponding services for domestic companies seeking overseas offering and listing shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

## LAWS AND REGULATIONS ON H SHARE FULL CIRCULATION

On November 14, 2019, the CSRC promulgated the Guidance of H Share Companies Applying for "Full Circulation" Business of Unlisted Shares in China (H股公司境內未上市股份申請"全流通"業務指引) ([2019] No. 22), which was amended and came into effect on August 10, 2023. This provision is to regulate the listing and circulation (hereinafter referred to as the "**Full Circulation**") of unlisted domestic shares of domestic joint-stock limited companies (hereinafter referred to as the "**H share Companies**") listed on the Stock Exchange of Hong Kong (including unlisted domestic capital stock held by domestic shareholders before overseas listing, unlisted domestic capital stock issued in China after overseas listing and unlisted shares held by foreign shareholders) to the Hong Kong Stock Exchange. Unlisted domestic joint-stock limited companies may file with the CSRC for "Full Circulation" simultaneously when applying for overseas initial public offering and listing.

On February 17, 2023, the CSRC promulgated the Overseas Listing Trial Measures, which came into effect on March 31, 2023. According to the Overseas Listing Trial Measures, for a domestic company seeking direct overseas listing, the shareholders holding the domestic unlisted shares of such domestic company who apply for the conversion of the domestic unlisted shares into overseas listed shares shall comply with the relevant provisions of the CSRC and entrust such domestic company to file with the CSRC.