

REGULATORY OVERVIEW

This section sets out a summary of certain aspects of the laws and regulations of the jurisdictions which are relevant to the business and operations of our Group. The principal objective of this summary is to provide you with an overview of the key laws and regulations applicable to us. This summary does not purport to be a comprehensive description of all the laws and regulations applicable to our business and operations and/or which may be important to you. You should note that the following summary is based on laws and regulations in force as at the date of this document, which may be subject to change.

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This section sets forth a summary of the significant rules and regulations (i) applicable to our operations in the PRC, where our business activities are primarily concentrated, and (ii) in the global markets, where we have or intend to have material operations.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THE PRC

Regulatory Provisions and Industrial Policies on New Energy Conservation and Storage

According to the Energy Law of the People’s Republic of China (the “PRC”) (《中華人民共和國能源法》) promulgated by the Standing Committee of the National People’s Congress (the “SCNPC”) on 8 November 2024 and brought into effect on January 1, 2025, China promotes the improvement of energy utilization efficiency, encourages the development of distributed energy and integrated energy services such as multi-energy complementary and multi-energy combined supply, actively promotes market-based energy conservation services such as contractual energy management, and raises the level of cleaner, lower-carbon, more efficient and smarter end-use energy consumption.

According to the Energy Conservation Law of the PRC (《中華人民共和國節約能源法》), which was promulgated by the SCNPC on November 1, 1997, latest amended on October 26, 2018, and came into effect on October 26, 2018, the investment projects for fixed assets shall be subject to energy conservation assessment and examination. For projects that are not in compliance with the mandatory standards for energy conservation, the construction entity shall not commence construction, and for those already completed, the construction entity shall not be put into production or use. For government-invested projects that do not comply with the mandatory energy conservation standards, the authorities responsible for project approval in accordance with the law shall not approve the construction. The specific measures shall be formulated by the department administering energy conservation under the State Council together with the relevant departments of the State Council.

According to the Recommendations of the CPC Central Committee on Formulating the Fifteenth Five-Year Plan for National Economic and Social Development (《中共中央關於制定國民經濟和社會發展第十五個五年規劃的建議》) promulgated and came into effect on October 23, 2025, from 2026 to 2030, China will accelerate the establishment of a new energy system and power system, develop wind, solar, hydro, nuclear, and other energy sources on all fronts, expand new types of energy storage and distributed new energy, deepen the implementation of energy-saving and carbon reduction upgrades.

According to the Guiding Opinions on Accelerating the Development of New Energy Storage (《關於加快推動新型儲能發展的指導意見》), which were jointly promulgated by the National Development and Reform Commission of the PRC (the “NDRC”) and the National Energy Administration on July 15, 2021 and came into effect on the same date, the PRC will strive to build a clean, low-carbon, safe and efficient energy system, and drive down the cost and advance the commercial-scale application of more mature new energy storage technologies such as lithium-ion batteries, in an effort to achieve carbon peak and carbon neutrality. In addition, the PRC will strengthen planning guidance and encourage the diversified development

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of energy storage. Specifically, it will actively support the diversified development of user-side energy storage, by encouraging the exploration of new integrated energy storage application scenarios in various end-user sectors, including distributed renewable energy, microgrids, charging facilities and other end users. By 2025, the transformation from the initial stage of commercialization to large-scale development of new energy storage shall be achieved, and the installed capacity shall reach more than 30 million kilowatts. The full market-oriented development of new energy storage shall be realized by 2030. The core technologies and equipment of new energy storage shall be independent and controllable, and the installed capacity shall basically meet the corresponding needs of the new power system.

According to the “14th Five-Year Plan” for Scientific and Technological Innovation in the Energy Field (《“十四五”能源領域科技創新規劃》) jointly issued by the National Energy Administration and the Ministry of Science and Technology on November 29, 2021, it will accelerate the research and development of strategic and forward-looking core grid technologies, support the construction of an advanced power grid that is adaptable to large-scale renewable energy and distributed power generation, has two-way interaction between sources, grids and loads, and is intelligent and efficient; it will break through key technologies and core equipment for energy storage and system integration, such as energy-type and power-type energy storage, to meet the development needs of energy storage in different application scenarios of energy systems.

According to the Implementation Plan for the New Energy Storage Development During China’s “14th Five-Year Plan” Period (《“十四五”新型儲能發展實施方案》) jointly promulgated by the NDRC and the National Energy Administration on January 29, 2022, the PRC will develop user-side new energy storage in a flexible and diversified manner and innovate diversified application technical standards. By 2025, new energy storage will expand from the initial stage of commercialization to the stage of scale development and be ready for large-scale commercial application. By 2030, new energy storage will be developed on a fully market-oriented basis, and diversified technology development will be promoted, such as the optimization design and research of key core technologies, equipment and integration, such as sodium-ion batteries, new lithium-ion batteries, lead-carbon batteries, liquid flow batteries, compressed air, hydrogen (ammonia) energy storage and heat (cold) energy storage and so on, the intensive tackling of energy storage technologies such as superconductors and supercapacitors, and the development and research on a new generation of high-energy-density energy storage technologies such as liquid metal batteries, solid lithium-ion batteries and metal-air batteries.

According to the “14th Five-Year Plan” for Modern Energy System (《“十四五”現代能源體系規劃》) jointly issued by the NDRC and the National Energy Administration on January 29, 2022, it will accelerate the large-scale application of new energy storage technologies. It will vigorously promote the development of energy storage on the power supply side, rationally allocate energy storage scale, improve the output characteristics of new energy sites, and support the rational configuration of energy storage systems for distributed new energy. It will optimize the layout of grid-side energy storage and give full play to the multiple roles of energy storage in absorbing new energy, shaving peaks and filling valleys, enhancing grid stability and emergency power supply. It will actively support the diversified development of user-side energy storage, improve user power supply reliability, and encourage user-side energy storage to participate in system peak and frequency regulation. It will broaden the application scenarios of energy storage, promote the diversified application of technologies such as electrochemical energy storage, cascade power station energy storage, compressed air energy storage, and flywheel energy storage, and explore new models and new business forms such as energy storage aggregation and shared utilization.

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According to the Action Plan for Carbon Dioxide Peaking in Industrial Sectors (《工業領域碳達峰實施方案》) promulgated by the Ministry of Industry and Information Technology of the PRC (the “MIIT”), the NDRC and the Ministry of Ecology and Environment on July 7, 2022 and implemented on the same date, increasing the supply of green and low-carbon products in the energy production sector. Strengthening the coordination and planning for the high-quality development of the energy electronics industry, and promoting the collaborative innovation of PV, new types of energy storage, key terminal applications, and key information technology products. Implementing the action plan for developing an intelligent PV industry and conducting pilot demonstrations to accelerate the upgrade of basic materials and key equipment.

According to the Guiding Opinions on Promoting the Development of the Energy Electronics Industry (《關於推動能源電子產業發展的指導意見》) jointly issued by six ministries and commissions including the MIIT on January 3, 2023 and implemented on the same date, energy electronics industry refers to the electronic information technology and products that are used to produce, serve, and apply energy, mainly including new types of energy storage batteries and other fields, the guiding opinions proposed that one of the development goals is to develop safe and economical new types of energy storage batteries, which is to strengthen technological breakthroughs in the industrialization of new types of energy storage batteries, and to promote the large-scale application of advanced energy storage technologies and products.

According to the Notice of Promoting the Grid Connection and the Dispatching and Use of New Types of Energy Storage (《關於促進新型儲能併網和調度運用的通知》) issued by the National Energy Administration on April 2, 2024 and implemented on the same date, regulating the management of grid connection and access of new types of energy storage, optimizing the dispatch and operation mechanism, giving full play to the role of new types of energy storage, and supporting the construction of new types of power system.

According to the Measures for Energy Conservation Review 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 effective from September 1, 2025, the opinions on energy conservation reviews of fixed-asset investment projects are an important basis for the commencement of construction, completion and acceptance, and operation and management of the projects. For enterprise-invested projects, the construction entity is required to obtain an energy conservation review opinion from the energy conservation review authority before commencing the construction. Projects that have not conducted an energy conservation review, or have not passed the energy conservation review, the construction entity shall not commence the construction. Projects that have already been built shall not be put into production or use.

According to the Special Action Plan for Large-Scale Construction of New Energy Storage (2025–2027) (《新型儲能規模化建設專項行動方案(2025–2027年)》) issued by the NDRC and the National Energy Administration on and effective from August 27, 2025, by 2027, China’s new energy storage will have fundamentally achieved large-scale and market-oriented development, the technological innovation capabilities and equipment manufacturing capacity will maintain a leading global position, and the installed capacity of new energy storage nationwide will reach over 180 million kilowatts, driving direct project investments of approximately RMB250 billion.

Regulations on Product Quality and Consumer Protection

According to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993, last amended on December 29, 2018 and came into effect on the same date, the market supervision and administration department under the State Council is in charge of the national supervision of product quality, a manufacturer is prohibited from producing or selling products that do not meet applicable standards and requirements for safeguarding human health and ensuring human and property safety. Products

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must be free from unreasonable dangers threatening human and property safety. Where a defective product causes physical injury to a person or property damage, the aggrieved party may make a claim for compensation from the producer or the seller of the product. Producers and sellers of non-compliant products may be ordered to cease the production or sale of the products and could be subject to confiscation of the products and/or fines. Earnings from sales in contravention of such standards or requirements may also be confiscated, and in severe cases, an offender’s business license may be revoked.

According to the Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》), which took effect on January 1, 1994, was last amended on October 25, 2013, and came into effect on March 15, 2014, business operators should guarantee that the products and services they provide satisfy the requirements for personal or property safety, and provide consumers with authentic information about the quality, function, usage and term of validity of the products or services. Where business operators have discovered any defect in the goods or services they provided, which may endanger personal or property safety, they shall forthwith report to relevant administrative authorities and notify consumers, and adopt measures such as suspension of selling, alerts, recalls, decontamination, destruction, and suspension of manufacturing or services. In the case where recall measures are adopted, the business operator shall bear necessary expenses incurred by consumers resulting from the recall of goods. Violations of the Law of the PRC on the Protection of Consumers Rights and Interests may result in a warning, the confiscation of illegal income, and the imposition of fines. In addition, the relevant business operator will be ordered to suspend its operations, have its business license revoked, and have criminal liability incurred in serious cases.

According to the Regulations on the Implementation of the Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法實施條例》) issued by the State Council on March 15, 2024 and came into effect on July 1, 2024, business operators shall not conduct false or misleading publicity to deceive or mislead consumers by fabricating their qualifications or honors, transaction information or business data, or tampering with or concealing user comments. Without the knowledge of consumers, business operators shall not set different prices of charging standards for the same goods or services under the same conditions.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》) issued by the NPC on May 28, 2020 and came into effect on January 1, 2021, a producer shall bear tort liability if its product causes damage to others due to a defect. If its product causes damage to others due to defect, the infringed party may claim compensation from the producer or from the seller of the product. Where the product defects are caused by the producers, the sellers shall have the right to recover the same from the producers after paying compensation. If the products are defective due to the fault of the seller, the producer may, after paying compensation, claim the same from the seller. If the personal and property safety of others is endangered due to a product defect, the infringed party shall have the right to request the producer and seller to undertake the tort liability such as stopping the infringement, removing the obstruction and eliminating the danger.

Regulations on Production Safety and Fire Safety

Production safety

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》), which was promulgated by the SCNPC on June 29, 2002, latest amended on June 10, 2021 and came into effect on September 1, 2021, production and business operation entities shall establish and perfect the system of responsibility for production safety and rules and regulations for production safety for all employees, meet the safety production conditions stipulated by laws and regulations, national standards or industry standards, and those who do not meet the production conditions are not allowed to engage in production and business activities.

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Production and business operation entities shall carry out education and training on production safety to employees, and ensure that employees have necessary knowledge on production safety and are familiar with relevant rules and regulations on production safety and safety operating procedures. The producers and operators who violate the Production Safety Law of the PRC may result in imposition of penalties, suspension of operation, an order to cease operation, or even criminal liability if causes serious consequences.

According to the Measures for the Supervision and Administration of “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》) promulgated by the former State Administration of Work Safety (原國家安全生產監督管理總局) (now known as the Ministry of Emergency Management (應急管理部)) on December 14, 2010, latest amended on April 2, 2015 and effective from May 1, 2015, the safety facilities of new construction, reconstruction and expansion projects must be designed, constructed, put into production and use simultaneously with the main part of the project. The business entity shall comprehensively analyze its work safety conditions and facilities and form a written report for inspection, or pre-assess the safety of its construction project and make a safety pre-assessment report. In the preliminary design of a construction project, the business entity shall entrust a design entity with the corresponding qualification to simultaneously design for the safety facilities of the construction project and make a design for the safety facilities. Before a construction project is completed and put into production or use, the business entity shall organize the completion acceptance of safety facilities and form a written report for inspection. The safety facilities can only be put into production and use after they pass the completion acceptance check. If the business entity violates relevant regulations, it may be ordered to stop construction, make corrections within a time limit, and be fined.

Fire safety

According to the Fire Control Law of the PRC (《中華人民共和國消防法》) published by the SCNPC 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 Control 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 PRC on April 1, 2020, latest amended on August 21, 2023 and came into effect on October 30, 2023, the fire control design or construction of a construction project must conform to the national fire control technical standards for project construction, and shall be governed by the fire control 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.

Regulations on Compulsory Product Certification

According to the Provisions on the Administration of Compulsory Product Certification (《強制性產品認證管理規定》) promulgated by the State Administration for Market Regulation (the “SAMR”) on July 3, 2009, amended on September 29, 2022 and effective on November 1, 2022, the SAMR is in charge of the compulsory product certification nationwide, and is responsible for the organization, implementation, supervision, management and comprehensive coordination of the compulsory product certification of the whole country. The market supervision and administration department of the local governments at the county level and above are responsible for the supervision and administration of compulsory product certification activities within their own administrative districts. For products that are subject to compulsory product certification, the state implements unified product catalogues, unified compulsory requirements, standards and compliance assessment procedures in technical specification, unified certification marks and unified charging standards. For the producers of products listed in the

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catalogue, if the seller finds that the products produced and sold by these producers have potential safety hazards, which may cause damage to human health and safety of life, it shall publish relevant information to the public, take the initiative to take relief measures such as recalling the products, and report to the relevant supervision and administration department in accordance with relevant regulations. For the producers of products listed in the catalogue, if the seller fails to fulfill the obligations specified in the preceding paragraph, the SAMR shall initiate the product recall procedure, order the producer to recall the product and the seller to stop selling the product.

According to the Announcement on the Implementation of Compulsory Product Certification Management for Lithium-ion Batteries and Other Products (《關於對鋰離子電池等產品實施強制性產品認證管理的公告》) promulgated by the SAMR on March 14, 2023 and put into effect on the same date, the lithium-ion batteries and battery packs used in electronic and electrical products, portable power supplies, as well as power adapters/chargers used in telecommunications terminal products (hereinafter collectively referred to as the “**Newly Included Products**”) are subject to compulsory product certification (CCC certification) management. Newly Included Products without a CCC certification certificate or not marked with the CCC certification logo are not allowed to be manufactured, sold, imported, or used for other business activities since August 1, 2024.

Regulations on 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》) promulgated by the SCNPC on May 12, 1994, last amended on December 30, 2022 and effective on the same date, and the Measures for the Archival-Filing and Registration of Foreign Trade Business Operators (《對外貿易經營者備案登記辦法》) lately revised by the MOFCOM on May 10, 2021 and effective on the same date, any foreign trade dealer who engages in the export of goods or technologies was required to carry out registration for the record with MOFCOM or the body entrusted by MOFCOM before December 30, 2022, and will not be required to apply for aforementioned registration for the record since December 30, 2022.

According to the Customs Law of the PRC (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987, which was last amended on April 29, 2021 and came into effect on the same date, and the Provisions on the Recordation 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》) by the General Administration of Customs of the PRC promulgated on November 19, 2021, which came into effect on January 1, 2022, a customs declaration entity is the consignee or consignor of imported or exported goods or a customs declaration enterprise, as filed with the customs in accordance with these provisions. Where the consignee or consignor of imported or exported goods or a customs declaration enterprise applies for recordation, it shall obtain the qualification of market entities; particularly where the consignee or consignor of imported or exported goods applies for recordation, it shall be filed as a foreign trade business. According to the Notice of Matters Concerning the Recordation of the Consignees and Consignors of Imported and Exported Goods (《關於進出口貨物收發貨人備案有關事宜的通知》) promulgated and implemented by the Department of Enterprise Management and Audit-Based Control of the General Administration of Customs on January 3, 2023, consignees and consignors of imported and exported goods applying for recordation shall obtain the qualification of a market entity, and do not need to obtain the recordation of the foreign trade dealers.

Regulations on E-commerce and Online Transaction

According to the E-Commerce Law of the PRC (《中華人民共和國電子商務法》), which was promulgated by the SCNPC on August 31, 2018 and came into effect on January 1, 2019, e-commerce refers to business activities of sale of goods or provision of services through Internet and other information network while e-commerce business operators refer to natural

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persons, legal persons and other non-legal-person organizations that engage in business activities of sale of goods or provision of services through Internet and other information network. E-commerce business operators shall complete the market entity registration (unless no such registration is required by laws and administrative regulations) and obtain the relevant administrative licenses for conducting those operational activities which are required by law. Commodities sold or services offered by e-commerce operators shall meet the requirements of protecting personal and property safety and the environment, and e-commerce operators shall not sell or provide any commodity or service prohibited by laws and administrative regulations.

The Measures for the Supervision and Administration of Online Transactions (《網絡交易監督管理辦法》), enacted by the SAMR on March 15, 2021, and amended on March 18, 2025 with the amendments effective from May 1, 2025, regulate all business activities involving sales of commodities or provision of services through the Internet and other information networks as well as the supervision and administration thereof by market regulatory departments within the territory of the PRC. No online transaction business may engage in business operations without a license or permit in violation of any law, regulation or decision of the State Council. Except under the circumstances where registration is not required as prescribed in Article 10 of the E-Commerce Law of the PRC, an online transaction business shall undergo market entity registration in accordance with the law. In addition, an online transaction business shall disclose commodity or service information in a comprehensive, truthful, accurate and timely manner, and protect consumers’ right to know and right to choose.

Regulations on Foreign Investment

The operations in China by foreign-invested companies are principally governed by the Company Law of the PRC (《中華人民共和國公司法》), the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) and the Regulations 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》), and their specific investment activities are subject to the relevant provisions of the Special Administrative Measures (Negative List) for the Access of Foreign Investment (《外商投資准入特別管理措施(負面清單)》) and the Catalogue of Industries for Encouraging Foreign Investment (《鼓勵外商投資產業目錄》).

According to the Company Law which was adopted by the SCNPC on December 29, 1993 and implemented on July 1, 1994, and last revised on December 29, 2023, and came into effect on July 1, 2024, companies established in the PRC may take form of company of limited liability or company limited by shares, and each company has the status of a legal person. The Company Law also applies to foreign-invested companies, where laws on foreign investment have other stipulations, such stipulations shall prevail.

According to the Foreign Investment Law of the PRC, which was adopted by the NPC on March 15, 2019 and took effect on January 1, 2020, the Regulations for Implementing the Foreign Investment Law of the PRC, which was promulgated by the State Council on December 26, 2019 and took effect on January 1, 2020, and the Interpretation of the Supreme People’s Court on Several Issues Concerning the Application of the Foreign Investment Law of the PRC (《最高人民法院關於適用〈中華人民共和國外商投資法〉若干問題的解釋》), which was adopted by the Supreme People’s Court on December 26, 2019 and took effect on January 1, 2020, the PRC shall implement the management systems of pre-establishment national treatment and negative list for foreign investment. The pre-establishment national treatment refers to granting to foreign investors and their investments, in the stage of investment access, the treatment no less favorable than that granted to domestic investors and their investments except for foreign investment in restricted or prohibited fields or industries; the Negative List refers to special administrative measures for access of foreign investment in specific areas or industries, including restricted or prohibited areas or industries. The PRC accords national treatment to foreign investment outside of the Negative List. Foreign investors shall not invest in areas that are prohibited in the Negative List. Foreign investors shall meet the conditions stipulated in the

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Negative List in order to invest in the areas that are categorized by the Negative List as a restricted category. Foreign investors shall follow the same principle as domestic investors in order to invest in areas that are not on the Negative List.

According to the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 version) (《外商投資准入特別管理措施(負面清單) (2024年版)》) (hereinafter referred to as the “**2024 Negative List**”), which was promulgated by the MOFCOM and the NDRC on September 6, 2024 and took effect on November 1, 2024, and the Catalogue of Industries for Encouraging Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》), which was jointly promulgated by the MOFCOM and the NDRC on October 26, 2022 and took effect on January 1, 2023, foreign investments in domestic industries are divided into three categories: encouraged, restricted, and prohibited. Industries not listed in the Negative List are deemed permitted for foreign investments. The industry in which we operate is not included in the 2024 Negative List.

According to the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which was promulgated by the MOFCOM and the State Administration for Market Regulation on December 30, 2019 and took effect on January 1, 2020, the PRC established a foreign investment information reporting system. Foreign investors or foreign invested enterprises shall submit investment information in a timely manner. Reports must be truthful, accurate, and complete, avoiding false or misleading information and major omissions.

Regulations on Overseas Investment

Pursuant to the Administrative Measures for Overseas Investment (《境外投資管理辦法》) promulgated by the MOFCOM on September 6, 2014 and implemented since October 6, 2014, the MOFCOM and provincial competent commerce authorities shall carry out administration either by record-filing or approval on a case-by-case basis of overseas investment by enterprises. Overseas investment by enterprises that involves sensitive countries and regions or sensitive industries shall be subject to administration by approval. Overseas investment by enterprises that falls in any other circumstances shall be subject to administration by record-filing.

Pursuant to the Administrative Measures for Overseas investment of Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017 and implemented since March 1, 2018, a domestic enterprise (the “**Investor**”) making overseas investment shall obtain approval, conduct record-filing or other procedures applicable to overseas investment projects (the “**Projects**”), report relevant information, and cooperate with the supervision and inspection. Sensitive Projects carried out by Investors directly or through overseas enterprises controlled by them shall be subject to approval; non-sensitive Projects directly carried out by Investors, namely, non-sensitive Projects involving Investors’ direct contribution of assets or interests or provision of financing or guarantee shall be subject to record-filing. The aforementioned “sensitive Project” refers to Projects that involve a sensitive country or region or a sensitive industry. The catalog of sensitive industries shall be promulgated by the NDRC. The currently effective sensitive industry catalog is the Catalog of Sensitive Sectors for Overseas investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》), which came into effect on March 1, 2018.

Regulations Relating to Environmental Protection

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the “**Environmental Protection Law**”) promulgated by the SCNPC on December 26, 1989, and last amended on April 24, 2014 and came into effect on January 1, 2015, any entity that discharges or will discharge pollutants in the course of operation or other activities must implement effective environmental protection measures to control and properly handle hazardous substances such as waste gas, waste water, waste residues, dust, malodorous gases, radioactive

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substances, noise, vibration and electromagnetic radiation generated in the course of such activities. China implements a pollutant discharge permit management system in accordance with the law.

Construction Projects

According to the Regulations on Environmental Protection Management for Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, amended on July 16, 2017 and came into effect on October 1, 2017, the Interim Measures for Environmental Protection Acceptance Examination Upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), which was promulgated by the Ministry of Environmental Protection (dissolved) on November 20, 2017 and came into effect on the same day, and the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), Which was promulgated by the SCNPC on October 28, 2002, last amended on December 29, 2018 and came into effect on the same date, the PRC implements a system to assess the environmental impact of construction projects. The construction entity shall submit an environmental impact report or an environmental impact statement for approval prior to the commencement of the construction project, or an environmental impact registration form as required by the environmental protection administrative department of the State Council for record. In addition, after the completion of a construction project for which an environmental impact report or an environmental impact statement has been prepared, the construction entity shall, in accordance with the standards and procedures prescribed by the competent administrative department of environmental protection under the State Council, conduct acceptance checks on the supporting environmental protection facilities and prepare an acceptance report. For construction projects that are constructed in phases or put into production or used in phases, the corresponding environmental protection facilities shall be inspected and accepted in phases. The construction projects can only be put into production or use after the completed supporting environmental protection facilities have passed the acceptance inspection. Facilities that have not been carried out or have not passed the acceptance examination shall not be put into production or use.

Atmospheric Pollution

According to the Atmospheric Pollution Prevention and Control Law of the PRC (《中華人民共和國大氣污染防治法》) promulgated by the SCNPC on September 5, 1987, which was last amended on October 26, 2018 and came into effect on the same day, enterprises, public institutions, and other business entities shall, according to relevant provisions and monitoring norms of China, monitor the industrial waste gases and the toxic and hazardous atmospheric pollutants listed in the catalogue mentioned in Article 78 of the Atmospheric Pollution Prevention and Control Law of the PRC they have discharged, and preserve the original monitoring records. Enterprises and public institutions discharging industrial waste gases or the toxic or hazardous atmospheric pollutants listed in the aforementioned catalogue and other entities subject to pollutant discharging licensing administration shall obtain a pollutant discharge license. In addition, when building projects that have an impact on atmospheric environment, enterprises, public institutions, and other business entities shall conduct environmental impact assessments and publish the environmental impact assessment documents in accordance with the law; when discharging pollutants to the atmosphere, they shall conform to the atmospheric pollutant discharge standards and abide by the total quantity control requirements for the discharge of key atmospheric pollutants. Facilities for atmospheric pollution prevention are required to be designed, constructed and put into operation simultaneously with the main part of the project.

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Water Pollution

According to the Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》) promulgated by the SCNPC on May 11, 1984, which was last amended on June 27, 2017 and came into effect on January 1, 2018, an enterprise or public institution or other business entity which directly or indirectly discharges industrial waste water or medical sewage to waters or waste water or sewage that may be discharged after a pollutant discharge license has been obtained as required shall obtain a pollutant discharge license. In addition, construction, renovation and expansion projects and other upper-water facilities that directly or indirectly discharge pollutants to water are subject to environmental impact assessment in accordance with the law. Facilities for water pollution prevention are required to be designed, constructed and put into operation simultaneously with the main part of the project.

Solid Waste

According to the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) promulgated by the SCNPC on October 30, 1995, which was last amended on April 29, 2020 and came into effect on September 1, 2020, any entity or individual that produces, collects, stores, transports, utilizes, or disposes solid wastes shall take measures to prevent or reduce environmental pollution caused by solid wastes, and be liable for resultant environmental pollution in accordance with the law. In addition, construction projects where solid wastes are generated or projects for storage, utilization or disposal of solid wastes shall be subject to environmental impact assessment in accordance with the law. Facilities for the prevention and control of solid wastes are required to be designed, constructed and put into use simultaneously with the main part of the construction project.

Noise Pollution

According to the Law of the PRC on Prevention and Control of Pollution From Noise (《中華人民共和國噪聲污染防治法》), which was promulgated by the SCNPC on December 24, 2021 and came into effect on June 5, 2022, the emission of noise and generation of vibration shall comply with the noise emission standards, the relevant ambient vibration control standards and the requirements of relevant laws, regulations and rules. In addition, the construction, renovation or expansion of projects that might cause environmental noise pollution shall be subject to environmental impact assessment in accordance with the law. Facilities for prevention and control of environmental noise pollution must be designed, constructed and put into use simultaneously with the main part of a construction project. Before a construction project is put into production or use, the construction employer shall, in accordance with the provisions of relevant laws and regulations, conduct the acceptance check of the supporting facilities for noise pollution prevention and control, work out the acceptance check report, and release it to the public. The construction project may not be put into production or use before its acceptance check is carried out or if it fails to pass its acceptance check.

Pollution Permit

According to the Environmental Protection Law and the Regulation on the Administration of Pollutant Discharge Licensing (《排污許可管理條例》), which was promulgated by the State Council on January 24, 2021, and came into effect on March 1, 2021, enterprises, business units and other producers and operators that implement the pollutant discharge licensing management shall discharge pollutants according to the requirements of the pollutant discharge license, and shall not discharge pollutants without obtaining the pollutant discharge license. The competent environmental protection authorities impose various administrative penalties on individuals or enterprises in violation of the Environmental Protection Law.

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Regulations on Land, Planning and Project Construction Land

According 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, latest amended on August 26, 2019 and effective on January 1, 2020, and the Regulations on the Implementation of 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, latest revised on July 2, 2021 and effective on September 1, 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 other land is collectively owned. The State-owned land use rights may be obtained by third parties through grant, allocation, lease, capital contribution and other forms.

According 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, latest amended on April 23, 2019 and effective on the same date, 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.

According 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, latest amended on April 23, 2019 and effective on the same date, 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. A construction project shall be delivered for use only after it has passed the acceptance examination. A construction project shall not be delivered for use without conducting or passing the acceptance examination.

According to the Interim Regulations on Real Estate Registration (《不動產登記暫行條例》), promulgated by the State Council on November 24, 2014, latest amended on March 10, 2024 and effective on May 1, 2024, the state implements a unified real estate registration system. Real estate rights requiring registration as prescribed by law, such as ownership of buildings and structures such as houses shall be registered in accordance with the provisions of these regulations. Real estate registration shall be handled by the real estate registration authority of the people’s government at the county level in the place where the real estate is located. Municipalities directly under the central government and people’s governments of cities divided into districts may designate their respective real estate registration authorities to handle registration uniformly for all districts under their jurisdiction.

Regulations on Leasing

According to the Law of the PRC on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》), which was promulgated by the SCNPC on August 26, 2019 and came into effect on January 1, 2020, a written lease contract shall be concluded between the lessor and the lessee for leasing a building and shall agree on the terms and conditions such as the term, purpose and price of leasing and liability for maintenance and repair, etc. as well as other rights and obligations of both parties, and such contract shall be filed for registration and record with the real estate administration department.

According to the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and came into effect on February 1, 2011, within 30 days after the conclusion of the house leasing contract, the parties involved shall carry out house leasing

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registration with the construction (real estate) administrative department of the people’s government where the house leased is located. If the relevant parties fail to register, they may be ordered to make corrections within a specified time limit by the construction (real estate) administrative department. If any individual fails to do so, a fine of less than RMB1,000 will be imposed, while if any entity fails to do so, a fine not less than RMB1,000 and not more than RMB10,000 will be imposed. According to the Civil Code of the PRC, the validity of the lease contract will not be affected if the parties fail to complete the registration and filing procedures for the lease contract in accordance with the relevant laws and provisions.

Regulations on Intellectual Property

Patent rights

According to the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984, latest amended on October 17, 2020 and came into effect on June 1, 2021, and the Implementing Regulations of the PRC Copyright Law (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on June 15, 2001, latest amended on December 11, 2023 and came into effect on January 20, 2024, there are three types of patents, namely invention patents, utility model patents and design patents. Invention patents are valid for twenty years, while utility model patents and design patents are valid for ten years and fifteen years, respectively, all calculated from the date of application.

Copyright

In accordance with the Copyright Law of the PRC (《中華人民共和國著作權法》), which was promulgated by the SCNPC on September 7, 1990, latest amended on November 11, 2020, and came into effect on June 1, 2021, copyrights include personal rights such as the right of publication and that of authorship, as well as property rights such as the right of reproduction and that of distribution, copyright protection is extended to Internet activities, products disseminated over the Internet and software products. Reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the relevant right owner would constitute an infringement of copyright, unless otherwise provided in the Copyright Law of the PRC. The infringer shall bear civil liabilities such as ceasing the infringement, eliminating the impacts, making an apology, and compensating for the loss.

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), which was promulgated by the National Copyright Administration on February 20, 2002, and the Regulation on Computers Software Protection (《計算機軟件保護條例》), as amended by the State Council on January 30, 2013 and came into effect on March 1, 2013, the National Copyright Administration is primarily responsible for the registration and management of national software copyrights and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center shall grant registration certificates to computer software copyright applicants that conform to the provisions of both the Measures for the Registration of Computer Software Copyright and the Regulation on Computers Software Protection.

Trademark rights

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, last amended on April 23, 2019 and took effect on November 1, 2019, and the Regulation on the Implementation of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, amended on April 29, 2014 and took effect on May 1, 2014, in China, registered trademarks include goods trademarks, service trademarks, collective trademarks and certification trademarks. The valid period of a registered trademark shall be 10 years, commencing from the date of approval of the

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registration. Where a registered trademark needs to continue to be used after the expiration of the validity, the trademark registrant shall go through the formalities for renewal within 12 months prior to the expiration of the validity in accordance with the regulations. Each renewal of the registration shall be valid for ten years, commencing from the day after the expiration of the previous validity of the trademark.

Domain names

Pursuant to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and took effect on November 1, 2017, and the Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》) promulgated by the MIIT on November 27, 2017 and took effect on January 1, 2018, the MIIT supervises and manages the domain name services nationwide. The domain name used by an internet information service provider in providing internet information services must be registered and owned by such provider in accordance with the laws and regulations. Registrations of domain names are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

Trade secret

Pursuant to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) promulgated by the SCNPC on September 2, 1993, last amended on June 27, 2025 and effective from October 15, 2025, and the Provisions of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Civil Cases Involving Infringements upon Trade Secrets (《最高人民法院關於審理侵犯商業秘密民事案件適用法律若干問題的規定》) promulgated by the Supreme People's Court on September 10, 2020 and took effect on September 12, 2020, trade secret refers to the technical information, operating information and other business information that is not known to the public, has commercial value, and has been subject to appropriate confidentiality measures taken by the obligee. Business operators shall not commit the following acts of infringement of trade secrets: (1) acquiring a trade secret from the obligee by theft, bribery, fraud, coercion, electronic intrusion or other illicit means; (2) disclosing, using or allowing another person to use a trade secret acquired from the obligee by any means as specified in the preceding subparagraph; (3) disclosing, using or allowing another person to use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the obligee for keeping the trade secret confidential; (4) abetting, tempting or aiding a person in acquiring, disclosing, using or allowing another person to use the trade secret of the obligee in violation of his or her confidentiality obligation or the requirements of the obligee for keeping the trade secret confidential.

Regulations on Employment, Social Insurance and Housing Provident Fund

Employment

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, last amended on December 29, 2018 and took effect on the same date, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012 and took effect on July 1, 2013, employers shall enter into written labor contracts with their employees to establish labor relations. Employers are prohibited from forcing employees to work overtime, and where the employers arrange overtime work, they shall pay employees for overtime work in accordance with relevant national regulations. The remuneration of each employee shall be no less than the local standard on minimum wages. If the employer fails to comply with the above laws and regulations, the labor administrative department has the right to give a warning, order to rectify, fine, require suspending business for rectification and take other measures. If any harm is caused

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to employees, the employer shall be liable for compensation. If the relevant illegal action constitutes a crime, criminal responsibility shall also be investigated.

Social insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the “**Social Insurance Law**”), promulgated by the SCNPC on October 28, 2010 and last amended on December 29, 2018, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), which was promulgated by the State Council on January 22, 1999, last amended on March 24, 2019 and came into effect on the same day, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

Pursuant to the Interpretation II of the Supreme Peoples Court on Several 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)》) (the “**Interpretation II**”), which took effect on 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 Paragraph 3 of the Labor Contract Law, 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. Considering that (i) as advised by our PRC Legal Advisor, the Interpretation II does not repeal or revise currently effective PRC laws or regulations relating to social insurance, nor does it expand the scope of applicable penalties relating to social insurance; and (ii) during the Track Record Period and up to the Latest Practicable Date, there have been no material employee complaints, reports, litigation or arbitration proceedings against our Group, our Directors believe that the Interpretation II has no material adverse impact on our business operation or financial conditions.

Housing Provident Fund

According to the Regulation on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and last amended on March 24, 2019, enterprises must register at the designated administrative centers and open bank accounts for depositing employees’ housing provident fund. Employers and employees are also required to pay and deposit housing provident fund, with an amount no less than 5% of the monthly average salary of the employee in the preceding year in full and on time. In case of overdue payment or underpayment by employers, orders for payment within a specified period will be made by the housing fund management center. Where employers fail to make payment within such period, enforcement by the people’s court will be applied. In case of failure to register and open accounts for depositing employees’ housing provident fund, the housing fund management center shall order employers to go through the formalities within a specified period,

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where employers fail to do such formalities within the prescribed time, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed.

Regulations on Taxation

Enterprise income tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the “**EIT Law**”) promulgated by the NPC on March 16, 2007, last amended by the SCNPC 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 PRC (《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 China, 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 the PRC (《中華人民共和國增值稅法》), promulgated by the SCNPC on December 25, 2024, and effective as of January 1, 2026, entities and individuals (including individual industrial and commercial households) that engage in the sale of goods, services, intangible assets, or real estate within the territory of the PRC, or that import goods, are considered value-added tax (“**VAT**”) taxpayers and shall pay VAT in accordance with this law. The term “sale of goods, services, intangible assets, or real estate” refers to the transfer of ownership of goods or real estate, the provision of services, or the transfer of ownership or use rights of intangible assets for consideration. The VAT rates are set at 13%, 9%, 6% and 0%, depending on the nature of the transaction. The collection rate applicable under the simplified tax calculation method is 3%.

Individual income tax

Non-PRC resident individual holders of H Shares whose names appear on the register of members of H Shares (“**Non-PRC Resident Individual Holders**”) are subject to the PRC individual income tax on dividends received from us. Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) (國稅函[2011]348號) dated June 28, 2011 and issued by the SAT of the PRC, the tax rate applicable to dividends paid to Non-PRC Resident Individual Holders of H Shares varies from 5.0% to 20.0%, depending on whether there is any applicable tax treaty between the PRC and the jurisdiction in which the Non-PRC Resident Individual Holder of H Shares resides, as well as the tax arrangement between the PRC and Hong Kong. Non-PRC Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us. In addition, under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementation regulations, Non-PRC Resident Individual Holders of H Shares are subject to individual income tax at a rate of 20.0% on gains realized upon the sale or other disposition of H Shares. Based on our knowledge, as of the Latest Practicable Date, the PRC tax authorities had not in practice sought to collect individual income tax on such gains.

Under the EIT Law and its implementation regulations, a non-PRC resident enterprise is generally subject to EIT at a rate of 10.0% with respect to its PRC-sourced income, including dividends received from a PRC company and gains derived from the disposition of equity interests in a PRC company. This rate may be reduced under any special arrangement or applicable treaty between the PRC and the jurisdiction in which the non-PRC resident enterprise

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resides. Pursuant to the Circular on Questions Concerning Withholding of EIT for Dividends Distributed by Resident Enterprises in China to Non-resident Enterprises Holding H-shares of the Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated by the SAT on November 6, 2008, we intend to withhold tax at 10.0% from dividends payable to non-PRC resident enterprise holders of H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities’ approval. There are uncertainties as to the interpretation and implementation of the EIT Law and its implementation rules by the PRC tax authorities, including whether and how EIT on gains derived upon the sale or other disposition of H Shares will be collected from non-PRC resident enterprise holders of H Shares.

Regulations on Foreign Exchange

According to the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996 and amended on January 14, 1997 and August 5, 2008, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the State Administration of Foreign Exchange (the “SAFE”) or its designated banks is obtained.

According to the Circular of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》) (the “SAFE Circular No. 59”) promulgated by the SAFE on November 19, 2012, last amended on December 30, 2019 and effective on the same date, approval is not required for opening a foreign exchange account and depositing foreign currency into the accounts relating to the direct investments. The SAFE Circular No. 59 also simplified foreign exchange-related registration required for foreign investors to acquire the equity interests of Chinese companies.

According to the Circular on Further Simplifying and Improving the Foreign Currency Management Policy on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE on February 13, 2015, amended on December 30, 2019 and effective on the same date, the administrative approvals for foreign exchange registration of direct domestic investment and direct overseas investment were canceled. The investors shall register with banks for direct domestic investment and direct overseas investment.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated on June 9, 2016, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign exchange capital and external debts and funds recovered from overseas listing) may convert from foreign currency into RMB on a self-discretionary basis. The ratio of the discretionary exchange rate of foreign exchange receipts under the domestic capital account is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

According to the Notice of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) which was promulgated on October 23, 2019 and amended by SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) which was promulgated on

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December 4, 2023, foreign-invested enterprises engaged in noninvestment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to the law on the condition that the current Special Administrative Measures (Negative List) for the Access of Foreign Investment are not violated and the relevant domestic investment projects are genuine and in compliance with laws.

Regulations on Cybersecurity and Data Protection

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law of PRC (《中華人民共和國網絡安全法》) (the “**Cybersecurity Law**”), amended on October 28, 2025 and will come into effect on January 1, 2026, which applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. The PRC has implemented a hierarchical network security protection system, and network operators shall comply with the provisions of laws and regulations as well as the mandatory requirements of the national and industry standards, formulate an internal security management system, and adopt technical measures and other necessary measures to protect the security of the network, stable operation. Personal information and important data collected and generated by the critical information infrastructures during their operations shall be stored within the PRC. Where they are required to be provided outside the PRC due to business needs, security assessments shall be conducted in accordance with the requirements of the relevant departments. Network operators violating the provisions of such law will be ordered to rectify, given a warning, fined, confiscated the illegal income, ordered to suspend business, suspend for rectification, shut down the site, revoke the business license and other penalties.

On June 10, 2021, the SCNPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》) (the “**PRC Data Security Law**”), which took effect in September 2021. The PRC Data Security Law introduces a data classification and hierarchical protection system based on the materiality 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 persons or entities when such data is tampered with, destroyed, divulged, or illegally acquired or used. It also provides for a security review procedure for the data activities which may affect national security.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the “**Personal Information Protection Law**”), which took effect from November 1, 2021. The Personal Information Protection Law stipulates, among other things, the circumstances under which a personal information processor could process personal information, including: (i) with the consent of individual; (ii) if necessary for the execution or performance of a contract to which the individual is a party, or for the implementation of human resources management in accordance with the labor rules and regulations formulated in accordance with the law and the collective contract concluded in accordance with the law; (iii) if necessary to fulfil statutory duties and statutory obligations; (iv) in order to respond to public health emergencies or protect natural persons’ life, health and property safety under emergency circumstances; (v) such information that has been made public is processed within a reasonable scope in accordance with this law; (vi) personal information is processed within a reasonable scope to conduct news reporting, public opinion-based supervision, and other activities in the public interest; or (vii) under any other circumstance as provided by any law or regulation.

On December 28, 2021, the Cyberspace Administration of China (the “**CAC**”) and other twelve PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the “**Cybersecurity Review Measures**”), which has come into effect on February 15, 2022. The Cybersecurity Review Measures provides that critical information infrastructure operators (the “**CIIOs**”) procuring network products or services, and the network platform operators (the “**Network Platform Operators**”) engaging in

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data processing activities, which affects or may affect national security shall be subject to the cybersecurity review by the Cybersecurity Review Office (網絡安全審查辦公室), the department which is responsible for the implementation of cybersecurity review under the CAC. The Cybersecurity Review Measures also provides that the Network Platform Operators with personal information data of more than one million users that seek for listing in a foreign country are obliged to apply for a cybersecurity review by the Cybersecurity Review Office.

Pursuant to the Measures on Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》) promulgated by the Cyberspace Administration of China on July 7, 2022 and effective on September 1, 2022, to provide data abroad under any of the following circumstances, a data processor shall declare security assessment for its outbound data transfer to the national cyberspace administration through the local cyberspace administration at the provincial level: (1) the data processor provides important data abroad; (2) the critical information infrastructure operator or the data processor that has processed the personal information of over one million individuals provides personal information abroad; (3) the data processor that has provided the personal information of 100,000 individuals or the sensitive personal information of 10,000 individuals cumulatively since January 1 of the previous year provides personal information abroad; (4) any other circumstance where an application for the security assessment of outbound data transfer is required by the national cyberspace administration.

On March 22, 2024, the Cyberspace Administration of China promulgated the Provisions on Promoting and Regulating Cross-border Data Transfer (《促進和規範數據跨境流動規定》), which came into effect on the same day. The regulations provide several exemptions for enterprises from the need to conduct data outbound security assessments, obtain personal information protection certifications, or enter into standard contracts for the export of personal information. These exemptions include, but are not limited to, situations where data processors other than operators of critical information infrastructure have provided personal information (excluding sensitive personal information) to overseas recipients for less than 100,000 individuals since January 1 of the current year. Data processors other than operators of critical information infrastructure who have provided (a) personal information (excluding sensitive personal information) to overseas recipients for more than 100,000 but less than 1,000,000 individuals, or (b) sensitive personal information for less than 10,000 individuals since January 1 of the current year, shall enter into standard contracts for the export of personal information or obtain personal information protection certifications with the overseas recipients in accordance with the law. The regulations also explicitly stipulate that data processors are not required to declare a data export security assessment for data that has not been notified or publicly released as important data by relevant departments or regions.

On September 24, 2024, the State Council released the Regulation on Network Data Security Management (《網絡數據安全管理條例》), which has come into force on January 1, 2025. The Regulation on Network Data Security Management is not only the first at the administrative regulation level specifically for network data security, but it also serves as a comprehensive implementing regulation for the compliance requirements set out by the Cybersecurity Law, the PRC Data Security Law, and the Personal Information Protection Law. The Regulation on Network Data Security Management introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data, establishes broader contractual requirements for data sharing between data handlers, and introduces a new exemption for regulatory obligations regarding cross-border data transfers.

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Regulations on Overseas Offering and Listing of Domestic Enterprises

On February 17, 2023, the China Securities Regulatory Commission (the “CSRC”) issued the Trial Measures for the Administration 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 “**Trial Measures for Administration**”) and the 5 ancillary guidelines, which have come into effect since March 31, 2023. The trial measures comprehensively improve and reform the current regulatory system for overseas offering and listing of securities by domestic enterprises, and regulate the direct and indirect offering and listing of securities overseas by domestic enterprises through the adoption of a regulatory system based on filing. According to the Trial Measures for Administration, overseas listing and offering shall not be permitted under any of the following circumstances, where: (i) listing and financing is specifically prohibited by the laws, administrative regulations or relevant national regulations of the PRC; (ii) overseas offering and listing may endanger national security as determined by the relevant competent department of the State Council after examination in accordance with the laws; (iii) a domestic enterprise or its controlling shareholder or de facto controller has committed a criminal crime of corruption, bribery, embezzlement of property, misappropriation of property or disrupting the economic order of the socialist market in the last three years; (iv) a domestic enterprise is under investigation according to the laws for being suspected of crimes or major violations of laws and regulations and but no clear conclusion has been made; or (v) there is a major dispute over ownership of the equity interests held by the controlling shareholder or the shareholder controlled by the controlling shareholder or the de facto controller.

According to the Trial Measures for Administration, the issuer shall submit the required filing documents to the CSRC within three working days after the overseas listing application is submitted to the relevant overseas regulator or listing venue. Once the filing documents are complete and in compliance with the stipulated requirements, the CSRC will, within 20 working days, conclude the review procedure and publish the filing results on the CSRC website. To the extent the filing documents are incomplete or do not conform to stipulated requirements, the CSRC will, within five working days upon receipt of filing documents, request supplementation and amendment to the filing. Then the issuer has 30 days to prepare any requested supplemented/amended filing. In addition, following the listing in an overseas market, the issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of the following events involving the issuer: (1) change of control; (2) investigations or sanctions imposed by overseas regulators; (3) change of listing status or transfer of listing market; and (4) voluntary or involuntary delisting.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening Confidentiality and Archives Administration for Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “**Confidentiality Provisions**”), which became effective from March 31, 2023. Pursuant to the Confidentiality Provisions, a 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 data involving state secrets and working secrets of state organs, it shall report the same to the competent department with the 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. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas offering and listing of domestic companies 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.

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LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN SINGAPORE

Overview of the Regulatory Framework

The Group conducts its business in Singapore through its wholly-owned subsidiaries incorporated in Singapore, namely Deye Inverter (Singapore) Pte. Ltd. and Deye ESS Technology (Singapore) Pte. Ltd. (collectively, the “**Singapore Subsidiaries**”).

The Singapore Subsidiaries are principally engaged in the importation, exportation, wholesaling, marketing and distribution of solar photovoltaic inverters (including string, hybrid and microinverters), energy storage systems (“**ESS**”), batteries, energy management systems and related power conversion equipment, as well as the provision of technical support, solution-oriented services and after-sales support in connection with such products. The Singapore Subsidiaries also serve as a regional sales, marketing and technical support hub for the Group’s products in Singapore and Southeast Asia.

The Singapore Subsidiaries are registered under wholesale trade classifications and do not carry on manufacturing, assembly or processing activities in Singapore. They do not engage in electricity generation, electricity retail, electricity transmission or electricity distribution in Singapore, nor do they operate power plants, electricity networks or grid-connected or standalone large-scale energy storage facilities in Singapore. Accordingly, based on their existing business activities, the Singapore Subsidiaries are not required to hold an electricity licence under the Electricity Act 2001, nor are they required to obtain a manufacturing licence in Singapore.

The business and operations of the Singapore Subsidiaries are subject to regulation and supervision by various governmental and statutory authorities, including the Accounting and Corporate Regulatory Authority (“**ACRA**”), Singapore Customs, the Energy Market Authority (“**EMA**”), Enterprise Singapore (including the Singapore Standards Council), the Singapore Civil Defence Force (“**SCDF**”), the National Environment Agency (“**NEA**”), the Competition and Consumer Commission of Singapore (“**CCCS**”) (including the Consumer Product Safety Office (“**CPSO**”)), the Infocomm Media Development Authority (“**IMDA**”) and the Ministry of Manpower (“**MoM**”). Failure to comply with applicable laws and regulations administered by these authorities may result in enforcement actions, including fines, penalties, product recalls, suspension of operations, seizure of goods or, in serious cases, criminal liability.

Laws and Regulations Relating to Corporate Matters

The Companies Act 1967 (the “**Companies Act**”) is the principal legislation governing the incorporation, management, operation and dissolution of companies in Singapore. Each of the Singapore Subsidiaries is incorporated as a private company limited by shares and is subject to the provisions of the Companies Act.

Pursuant to the Companies Act, the Singapore Subsidiaries are required to comply with ongoing statutory obligations, including the maintenance of prescribed statutory registers, the appointment of at least one director who is ordinarily resident in Singapore and a qualified company secretary, the preparation of financial statements in accordance with Singapore Financial Reporting Standards and applicable accounting requirements, and the filing of annual returns with ACRA within the prescribed timelines. Where applicable thresholds are met, the Singapore Subsidiaries are also subject to statutory audit requirements.

Directors of the Singapore Subsidiaries owe statutory and fiduciary duties under the Companies Act and at common law, including duties to act honestly, in good faith and in the best interests of the company, and to exercise reasonable care, skill and diligence. Breach of these duties may give rise to civil liability and, in certain circumstances, criminal sanctions.

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Dividends may only be declared and paid out of profits available for distribution in accordance with Section 403 of the Companies Act. Singapore law imposes capital maintenance requirements designed to protect creditors, and a company is generally prohibited from returning capital to shareholders except in accordance with prescribed statutory procedures. Subject to compliance with these requirements, there are no statutory restrictions on the payment of dividends or the repatriation of profits by the Singapore Subsidiaries to their shareholder.

There are currently no foreign exchange control restrictions in Singapore. The Singapore dollar is freely convertible, and funds, including capital contributions, dividends and profits, may be freely converted and remitted into or out of Singapore in any currency, subject to compliance with applicable tax laws and anti-money laundering requirements.

Laws and Regulations Relating to Business Operations and Supply of Goods

The Singapore Subsidiaries’ contracts for the supply of goods may, depending on the nature of the customer and end-use of the products supplied, be subject to the Building and Construction Industry Security of Payment Act 2004 (“**SOPA**”), particularly where inverters, ESS or related equipment are supplied for use in construction, engineering or infrastructure projects in Singapore. SOPA establishes a statutory framework to facilitate timely payment for construction work and the supply of related goods and services, including a statutory adjudication regime for payment disputes. SOPA renders “pay when paid” provisions unenforceable and imposes strict procedural timelines for the service and response to payment claims.

The sale and supply of goods by the Singapore Subsidiaries are generally governed by the Sale of Goods Act 1979, which implies certain statutory terms into contracts for the sale of goods, including conditions as to satisfactory quality, correspondence with description and fitness for purpose. In addition, the Unfair Contract Terms Act 1977 regulates the enforceability of contractual terms which seek to exclude or limit liability. Liability for death or personal injury resulting from negligence cannot be excluded, and other exclusions or limitations are subject to a statutory reasonableness test.

The Consumer Protection (Fair Trading) Act 2003 prohibits unfair practices in consumer transactions, including false or misleading representations, and provides statutory remedies. While the Singapore Subsidiaries primarily supply products to commercial customers, these provisions may apply where products are supplied to individual consumers or residential end-users.

Laws and Regulations Relating to Competition

Competition matters in Singapore are governed by the Competition Act 2004 (the “**Competition Act**”), which prohibits anti-competitive agreements, abuse of dominant position and mergers that may substantially lessen competition in Singapore. The CCCS administers and enforces competition and consumer product safety laws and issues guidelines on anti-competitive conduct and consumer protection.

The Singapore Subsidiaries are required to ensure that their commercial arrangements, including pricing practices, distribution agreements, reseller arrangements and dealings with competitors, suppliers and customers, comply with applicable competition laws. Breaches of the Competition Act may result in financial penalties, directions to cease infringing conduct and reputational harm.

Laws and Regulations Relating to Import, Export and Strategic Goods

The importation and exportation of goods into and out of Singapore are regulated under the Regulation of Imports and Exports Act 1995. The Singapore Subsidiaries are required to maintain valid Central Registration Numbers with Singapore Customs and to obtain the

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appropriate customs permits through the TradeNet system for each shipment of goods imported or exported. Customs declarations must accurately reflect the value, classification, origin and description of goods. Failure to obtain the requisite permits or to make accurate declarations may result in penalties, enforcement action and seizure of goods.

The Strategic Goods (Control) Act 2002 regulates the export, transshipment, transit and intangible transfer of goods, software and technology which have potential military or dual-use applications. Given the technical specifications, embedded software and communications capabilities of certain inverters, ESS and energy management systems, the Singapore Subsidiaries are required to assess whether any of their products, components or associated technology fall within the Strategic Goods Control List or are subject to end-use or end-user controls. Where applicable, the relevant strategic goods permits must be obtained prior to export, transshipment, transit or intangible transfer. Breaches may result in significant fines and criminal liability.

Laws and Regulations Relating to Product Safety, Standards, EMC and Energy Regulation

The Consumer Protection (Safety Requirements) Regulations (“CPSR”) establish a mandatory safety regime for specified categories of “Controlled Goods”, which include certain household electrical and electronic products. Controlled Goods may only be supplied in Singapore by suppliers registered with the CPSO, must be tested and certified by designated conformity assessment bodies, and must bear the Singapore SAFETY Mark. To the extent that the Singapore Subsidiaries import or supply Controlled Goods, they are required to comply with the applicable registration, certification, labelling and post-market surveillance obligations.

Products which are not classified as Controlled Goods, including industrial, commercial or utility-scale inverters and ESS, are not subject to the SAFETY Mark regime but remain subject to general product safety obligations under the Consumer Protection (Fair Trading) Act 2003, applicable Singapore Standards, the common law duty of care and contractual warranties.

Although the Singapore Subsidiaries do not operate electrical installations or electricity networks, inverters and ESS supplied for deployment in Singapore are, in practice, required by customers, utilities and regulators to comply with applicable Singapore Standards, EMA technical requirements, grid interconnection requirements, Codes of Practice and industry guidelines to ensure electrical safety, grid compatibility and system reliability.

Products incorporating wireless communication, Internet of Things (IoT) functionality or remote monitoring capabilities may also be subject to electromagnetic compatibility, radio frequency and type approval requirements administered by the IMDA and applicable technical standards administered by Enterprise Singapore.

Laws and Regulations Relating to Fire Safety, Dangerous Goods and Storage of ESS

Fire safety matters are regulated under the Fire Safety Act 1993 (the “**Fire Safety Act**”) and administered by the SCDF. The storage, handling, installation, testing, commissioning and demonstration of batteries and ESS are subject to regulatory requirements under the Fire Safety Act and its subsidiary legislation, the Code of Practice for Fire Precautions in Buildings, the SCDF Fire Code (including Clause 10.3 on Energy Storage Systems), Technical Reference TR 77 (Fire Safety Requirements for Energy Storage Systems), SS 601-1:2020 (Code of Practice for Maintenance of Grid-Tied Solar Photovoltaic Power Supply Systems), and applicable guidelines, circulars and requirements issued by the SCDF, the EMA, the NEA and the MoM.

Depending on the quantity, energy capacity, voltage rating, configuration and chemical composition of batteries or ESS stored or handled at their premises, the Singapore Subsidiaries may be required to obtain licences, permits or fire safety clearances, and to comply with conditions relating to storage layout, fire suppression systems, emergency response planning and periodic inspections.

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Laws and Regulations Relating to Workplace Safety and Health

The Workplace Safety and Health Act 2006 (“**WSH Act**”) and subsidiary regulations impose obligations on employers to ensure the safety, health and welfare of employees, contractors and visitors. The Singapore Subsidiaries are required to conduct risk assessments, provide safety training, implement safe systems of work and report workplace incidents.

Specific regulations under the WSH Act, including the Workplace Safety and Health (Risk Management) Regulations and the Workplace Safety and Health (Construction) Regulations 2007, may apply where inverters or ESS are installed, commissioned or demonstrated at construction sites or industrial premises.

Laws and Regulations Relating to Environmental Protection and Sustainability

The Resource Sustainability Act 2019 establishes Singapore’s extended producer responsibility framework for the management of electrical and electronic waste. As importers and suppliers of regulated electrical and electronic products, including certain batteries, inverters and ESS, the Singapore Subsidiaries may be required to register with the NEA as “Producers”. Where prescribed product categories and supply thresholds are met, Producers are required to participate in and finance a licensed Producer Responsibility Scheme for the collection, treatment and recycling of end-of-life products and to submit periodic regulatory reports.

The Environmental Protection and Management Act 1999 regulates, among other matters, the import, sale, storage and use of hazardous substances. Electrical and electronic equipment supplied by the Singapore Subsidiaries must comply with applicable restrictions on hazardous substances, including limits on certain heavy metals and chemicals, as implemented through Singapore regulations and standards aligned with international norms.

Laws and Regulations Relating to Employment and Labour

Employment in Singapore is principally governed by the Employment Act 1968, which prescribes minimum standards relating to terms and conditions of employment, including working hours, overtime, leave entitlements and termination. Employers are required to issue written key employment terms to employees and to maintain proper employment records.

The Work Injury Compensation Act 2019 (the “**Work Injury Compensation Act**”) establishes a statutory framework for compensation for work-related injuries and diseases. The Singapore Subsidiaries are required to maintain work injury compensation insurance for their employees in accordance with the prescribed requirements.

Under the Central Provident Fund Act 1953, the Singapore Subsidiaries are required to make mandatory monthly contributions to the Central Provident Fund for employees who are Singapore citizens or permanent residents.

The employment of foreign employees is regulated under the Employment of Foreign Manpower Act 1990. The Singapore Subsidiaries must ensure that all foreign employees hold valid work passes issued by the MoM and must comply with applicable conditions, including fair hiring requirements, quota and levy obligations.

Laws and Regulations Relating to Taxation

Income tax in Singapore is imposed under the Income Tax Act 1947 (the “**Income Tax Act**”) on income accruing in or derived from Singapore or received in Singapore from outside Singapore. The prevailing corporate income tax rate is 17%. Singapore operates a one-tier corporate tax system, under which dividends paid by a Singapore-resident company are exempt from further taxation in the hands of shareholders.

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The Multinational Enterprise (Minimum Tax) Act 2024, effective from 1 January 2025, imposes a domestic top-up tax and a multinational enterprise top-up tax (designed to ensure a minimum effective tax rate of 15%) on MNE groups with annual consolidated revenue of at least €750 million in at least two of the four preceding financial years. The Singapore Subsidiaries may be subject to these requirements if the Group meets the prescribed revenue threshold.

Section 34D of the Income Tax Act requires related-party transactions to be conducted on an arm’s length basis.

Where prescribed thresholds are met, the Singapore Subsidiaries are required to prepare and maintain contemporaneous transfer pricing documentation.

The Goods and Services Tax Act 1993 imposes goods and services tax (“GST”) on the import of goods and the supply of goods and services in Singapore. The prevailing GST rate is 9%. The Singapore Subsidiaries must comply with GST registration, reporting and payment obligations and may apply for approved schemes, such as the Major Exporter Scheme, subject to compliance with prescribed conditions.

Laws and Regulations Relating to Intellectual Property

Intellectual property rights in Singapore are governed by, among others, the Patents Act 1994, the Trade Marks Act 1998, the Copyright Act 2021 and the Registered Designs Act 2000, which are administered by the Intellectual Property Office of Singapore.

In the course of their operations, the Singapore Subsidiaries use proprietary technologies, software, product designs, trademarks and technical know-how, some of which may be owned by other members of the Group or licensed to the Singapore Subsidiaries.

The Singapore Subsidiaries are required to ensure that they have the necessary rights and licences to use such intellectual property in Singapore and that their activities do not infringe third-party intellectual property rights.

Singapore law provides for civil remedies and, in certain circumstances, criminal sanctions for infringement of intellectual property rights.

Laws and Regulations Relating to Insurance

Certain aspects of the Singapore Subsidiaries’ operations are subject to mandatory insurance requirements, including work injury compensation insurance under the Work Injury Compensation Act. In addition, the Singapore Subsidiaries typically maintain insurance coverage in respect of employee liabilities, product liability, public liability, property damage and other operational risks. While not all insurance coverage is mandated by statute, failure to maintain adequate insurance may expose the Singapore Subsidiaries to material financial and operational risks.

Laws and Regulations Relating to Data Protection, Sanctions and Compliance

The Personal Data Protection Act 2012 governs the collection, use, disclosure and protection of personal data by organisations in Singapore. The Singapore Subsidiaries are required to appoint a data protection officer, obtain valid consent for the processing of personal data, implement reasonable security arrangements, comply with data breach notification obligations and observe restrictions on cross-border transfers of personal data.

The Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 criminalises money laundering and imposes a duty to report suspicious transactions. The Prevention of Corruption Act 1960 prohibits bribery and corruption in both the public and private sectors and may apply extraterritorially in certain circumstances.

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Singapore implements United Nations Security Council sanctions through regulations made under the United Nations Act 2001. The Singapore Subsidiaries are required to ensure that they do not engage in dealings with designated individuals or entities subject to applicable sanctions or export control restrictions.

Laws and Regulations Relating to Cybersecurity

The Cybersecurity Act 2018 (the “**Cybersecurity Act**”) establishes a framework for the protection of Critical Information Infrastructure (“**CII**”) against cybersecurity threats. While the Singapore Subsidiaries may not primarily operate CII, the inverters and energy management systems supplied by them may be deployed within or connected to CII (such as power grids or generation facilities). Consequently, the Singapore Subsidiaries may be contractually required by their customers to comply with supply chain security obligations, code of practice requirements or technical standards issued by the Commissioner of Cybersecurity.

Following the passing of the Cybersecurity (Amendment) Act 2024, the regulatory scope of the Cybersecurity Act has expanded to cover “Foundational Digital Infrastructure” and other entities of special cybersecurity interest. To the extent that the Singapore Subsidiaries provide cloud-based energy management services or digital platforms in Singapore, they may be subject to incident reporting and cybersecurity standard obligations.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN MALAYSIA

Overview of the Regulatory Framework

The Group conducts its business in Malaysia through its wholly-owned subsidiary incorporated in Malaysia, Deye New Energy Technology (Malaysia) Sdn. Bhd. (the “**Malaysia Subsidiary**”).

If the Malaysia Subsidiary carries out the business and operations as planned, its business and operations will be subject to regulation and supervision by various governmental and statutory authorities, including the Companies Commission of Malaysia, the Ministry of Investment, Trade and Industry (“**MITI**”), the Malaysian Investment Development Authority (“**MIDA**”), the Department of Environment (“**DOE**”), the Department of Occupational Safety and Health (“**DOSH**”), the Energy Commission (Suruhanjaya Tenaga), the Royal Malaysian Customs Department, the Inland Revenue Board of Malaysia, Bank Negara Malaysia, the Fire and Rescue Department of Malaysia, and the relevant state and local land, planning and local authority bodies. Failure to comply with applicable laws and regulations administered by these authorities may result in enforcement actions, including fines, penalties, suspension of operations, revocation of approvals or, in serious cases, criminal liability.

Laws and Regulations Relating to Corporate Matters

The Companies Act 2016 is the principal legislation governing the incorporation, management, operation and dissolution of companies in Malaysia. The Malaysia Subsidiary is incorporated as a private company limited by shares and is subject to the provisions of the Companies Act 2016.

Pursuant to the Companies Act 2016, the Malaysia Subsidiary is required to comply with ongoing statutory obligations, including the maintenance of prescribed statutory registers and a register of beneficial owners, the appointment of at least one director who ordinarily resides in Malaysia and a qualified company secretary, the preparation of audited financial statements in accordance with applicable accounting standards, and the filing of annual returns and financial statements with the Companies Commission of Malaysia within the prescribed timelines.

Directors of the Malaysia Subsidiary owe statutory and fiduciary duties under the Companies Act 2016 and at common law, including duties to act honestly, in good faith and in

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the best interests of the company, and to exercise reasonable care, skill and diligence. Breach of these duties may give rise to civil liability and, in certain circumstances, criminal sanctions.

Dividends may only be declared and paid out of profits available for distribution in accordance with the Companies Act 2016 and subject to applicable solvency requirements. Malaysia does not impose general restrictions on the repatriation of profits or capital, and dividends, capital contributions and other funds may generally be remitted into or out of Malaysia, subject to compliance with applicable tax laws, reporting requirements of Bank Negara Malaysia and anti-money laundering legislation.

Laws and Regulations Relating to Land Ownership, Planning and Building Control

Land matters in Malaysia are governed principally by the National Land Code [Act 828] and relevant state land laws, as land administration falls within the jurisdiction of individual states. The acquisition, holding and use of industrial land by the Malaysia Subsidiary are therefore subject to approval by the relevant state authority in Johor and compliance with conditions imposed on the land title.

Companies with foreign shareholding, including the Malaysia Subsidiary, are permitted to acquire industrial land in Malaysia, subject to state authority approval and compliance with prescribed conditions, which may include minimum purchase price thresholds, restrictions on permitted use, development timelines and limitations on disposal.

The Malaysia Subsidiary’s use of industrial land for manufacturing purposes is also subject to zoning and planning approvals issued by the relevant local planning authorities. The development and construction of manufacturing facilities are regulated under the Town and Country Planning Act 1976, the Street, Drainage and Building Act 1974 and related by-laws.

Prior to construction, the Malaysia Subsidiary is required to obtain planning permission and building plan approvals from the relevant local authority. Upon completion of construction, a Certificate of Completion and Compliance must be issued to certify that the buildings have been constructed in accordance with approved plans and applicable safety and technical requirements. Failure to comply with land use conditions, planning approvals or building regulations may result in enforcement action, including fines, stop-work orders, restrictions on the use of premises or, in serious cases, forfeiture of rights in the land.

The construction of the manufacturing facility is further regulated by the *Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994* (“**CIDB Act**”). The CIDB Act mandates that all construction works must be carried out by contractors registered with the Construction Industry Development Board (“**CIDB**”) and in accordance with certified standards for construction materials. As the project owner of a construction project exceeding RM500,000 in value, the Malaysia Subsidiary (or its appointed main contractor on its behalf) is required to declare the project to the CIDB and ensure the payment of a construction levy (imposed at the rate of 0.125% of the contract sum). Failure to comply with the CIDB Act, including the non-payment of the levy or the use of non-conforming construction materials, may result in stop-work orders or financial penalties.

Laws and Regulations Relating to Distributive Trade and Equity Policy

The Guidelines on Foreign Participation in the Distributive Trade Services in Malaysia issued by the Ministry of Domestic Trade and Cost of Living (“**KPDN**”) generally regulate foreign participation in the wholesale and retail trade sectors in Malaysia. Under these Guidelines, foreign involvement in distributive trade is subject to specific approval and equity conditions, including requirements for Bumiputera equity participation.

However, companies that are licensed as manufacturers by MITI are generally exempted from the requirement to obtain KPDN approval or meet these specific local equity conditions,

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provided that they only distribute products that they manufacture themselves. Under the current equity policy administered by MIDA, foreign investors are permitted to hold 100% of the equity in all new manufacturing projects. Accordingly, the Malaysia Subsidiary, being a licensed manufacturer, is not subject to restrictions on foreign equity ownership.

Laws and Regulations Relating to Manufacturing Activities

Manufacturing activities in Malaysia are regulated primarily under the Industrial Coordination Act 1975. The Act applies to companies engaged in manufacturing activities, which are broadly defined to include the processing, assembly or adaptation of articles for sale. Depending on the scale of operations, paid-up capital and number of employees, a manufacturing company may be required to obtain a manufacturing licence from MITI or to be registered with the relevant authorities.

The Malaysia Subsidiary’s manufacturing operations in Johor are subject to assessment under the Industrial Coordination Act 1975 to determine whether a manufacturing licence or exemption is required. Where applicable, such licence or exemption must be obtained prior to the commencement of manufacturing operations and is subject to ongoing compliance with prescribed conditions.

The Malaysia Subsidiary’s manufacturing activities may also be subject to approvals, conditions and reporting obligations imposed by MIDA, particularly where the company applies for or benefits from investment incentives, tax allowances or other forms of governmental support. Failure to comply with applicable manufacturing regulatory requirements may result in fines, suspension of operations or other enforcement action.

Laws and Regulations Relating to Local Authority Licences and Factory Operations

In addition to federal approvals, the operation of manufacturing facilities is subject to licences and permits issued by the relevant local authorities. These may include factory operation licences, business premises licences and signboard licences, issued under applicable local government by-laws.

The Malaysia Subsidiary is required to ensure that its manufacturing premises are duly licensed and operated in compliance with local authority conditions relating to zoning, safety, sanitation, operating hours and environmental controls. Failure to maintain valid local authority licences may result in fines, suspension of operations or closure of premises.

Laws and Regulations Relating to Environmental Protection

Environmental protection and pollution control in Malaysia are regulated under the Environmental Quality Act 1974 (as amended by the Environmental Quality (Amendment) Act 2024) and subsidiary legislation administered by the DOE. Manufacturing facilities are required to comply with prescribed standards relating to air emissions, industrial effluent discharge, noise pollution and environmental monitoring.

Manufacturing activities involving electronic components, batteries and chemical substances may generate “scheduled wastes” regulated under the Environmental Quality (Scheduled Wastes) Regulations 2005. The Malaysia Subsidiary is required to properly store, treat on-site, recover on-site for material or product from such scheduled wastes or delivered to and received at prescribed premises for treatment, disposal or recovery of material or product from scheduled wastes. The Malaysia Subsidiary is also required to ensure that scheduled wastes that are subjected to movement or transfer be packaged, labelled and transported in accordance with the prescribed guidelines.

Depending on the nature, scale and location of the manufacturing operations, the Malaysia Subsidiary may be required to conduct and obtain approval for an environmental impact

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assessment prior to the construction or operation of its facilities. Non-compliance may result in enforcement action, including significant fines (up to RM10 million for certain offences), mandatory imprisonment, suspension of operations or other criminal liability.

Laws and Regulations Relating to Occupational Safety, Fire Safety and Hazardous Materials

Occupational safety and health matters are governed primarily by the Occupational Safety and Health Act 1994 (as amended), which imposes general duties on employers to ensure, so far as is practicable, the safety, health and welfare of employees and other persons at the workplace. The Malaysia Subsidiary is required to implement safety management systems, conduct risk assessments, appoint a safety and health coordinator (where applicable), provide safety training and comply with accident reporting obligations.

The use of certain machinery, including boilers, pressure vessels, hoists, lifts and other registrable equipment commonly used in manufacturing facilities, is regulated under the Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024. Such machinery is subject to certification of fitness, inspection and approval requirements administered by DOSH.

Fire safety matters are regulated under the Fire Services Act 1988 and administered by the Fire and Rescue Department of Malaysia. Manufacturing facilities, warehouses and storage areas, particularly those used for batteries, ESS or other flammable or hazardous materials, are subject to fire safety approvals, emergency response planning requirements and periodic inspections.

Laws and Regulations Relating to Energy Efficiency

The Energy Efficiency and Conservation Act 2024 regulates energy consumption by large industrial and commercial consumers. Where the Malaysia Subsidiary’s total energy consumption for a period of 12 consecutive months exceeds the prescribed threshold (generally 21,600 gigajoules), it will be designated as an energy consumer subject to the Act.

If so designated, the Malaysia Subsidiary is required to appoint a registered energy manager, conduct periodic energy audits, and submit energy efficiency improvement plans to the Energy Commission.

Laws and Regulations Relating to Product Standards and Energy Equipment

Although the Malaysia Subsidiary does not engage in regulated electricity supply activities, electrical and energy-related equipment manufactured in Malaysia may be subject to technical standards, certification and conformity assessment requirements administered by the Energy Commission.

Certain electrical equipment, including inverters and related power conversion equipment intended for use in Malaysia, may require a Certificate of Approval (“COA”) under the Electricity Regulations 1994 prior to sale or use in Malaysia. Conformity assessment is typically conducted through recognised bodies such as SIRIM QAS International.

Products manufactured for export are generally required to comply with applicable standards and certification requirements of the destination markets. Failure to meet applicable product standards may result in restrictions on sale, recalls or enforcement action.

Laws and Regulations Relating to Import, Export and Strategic Goods

The importation and exportation of raw materials, components and finished products are regulated under the Customs Act 1967. The Malaysia Subsidiary is required to be registered with

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the Royal Malaysian Customs Department and to comply with customs declaration, valuation, tariff classification and duty requirements for goods imported into or exported from Malaysia.

Certain goods, software or technologies used in energy conversion, power management and storage systems may fall within the scope of the Strategic Trade Act 2010, which regulates the export, transshipment, transit and brokering of strategic goods and dual-use items. Where applicable, export permits or approvals must be obtained prior to shipment. Breaches of strategic trade or customs laws may result in significant fines, suspension of export privileges or criminal liability.

Laws and Regulations Relating to Employment and Labour

Employment matters in Malaysia are governed primarily by the Employment Act 1955 (as amended), which prescribes minimum standards relating to wages, working hours, overtime, leave entitlements and termination for covered employees. The Malaysia Subsidiary is required to comply with these minimum standards and to maintain proper employment records.

The Malaysia Subsidiary must also comply with the Minimum Wages Order 2024, which prescribes a minimum monthly wage of RM1,700 for eligible employees. Pursuant to the Anti-Sexual Harassment Act 2022 and the Employment Act 1955, the Malaysia Subsidiary is required to display a notice raising awareness of sexual harassment at the workplace and to inquire into complaints of sexual harassment in accordance with the law.

The Malaysia Subsidiary is required to make mandatory employer contributions under the Employees Provident Fund Act 1991, the Employees’ Social Security Act 1969 and the Employment Insurance System Act 2017. The employment of foreign employees is subject to approval by the relevant immigration and labour authorities. The Malaysia Subsidiary must ensure that foreign employees hold valid work permits and must comply with applicable conditions, including levy payments, quota requirements and sector-specific restrictions.

Under Section 33 of the Employment Act 1955, where a principal contracts with a contractor for the execution of work, and any wages are due to any employee by the contractor, the principal may be held jointly and severally liable to pay such wages if the contractor fails to do so. Accordingly, while the Malaysia Subsidiary does not have direct employees, it is subject to the statutory risk of being deemed a principal liable for the wages and statutory contributions (including EPF and SOCSO) of its outsourced personnel should the direct employer default.

Laws and Regulations Relating to Taxation

Income tax in Malaysia is imposed under the *Income Tax Act 1967* on income accruing in or derived from Malaysia. The prevailing corporate income tax rate is generally 24%, subject to applicable incentives, exemptions or preferential tax rates for qualifying manufacturing or investment activities.

Effective for financial years beginning on or after 1 January 2025, Malaysia has implemented the Global Anti-Base Erosion (GloBE) Model Rules. Where the Group’s consolidated annual revenue meets the prescribed threshold of EUR 750 million in at least two of the four preceding financial years, the Malaysia Subsidiary may be subject to the Qualified Domestic Minimum Top-up Tax (QDMTT) to ensure an effective tax rate of 15% on its profits in Malaysia.

Malaysia’s transfer pricing rules require related-party transactions to be conducted on an arm’s length basis. Where the Malaysia Subsidiary’s annual gross business income exceeds RM30 million and the total cross-border controlled transactions exceeds RM10 million annually, it is required to prepare and maintain full contemporaneous transfer pricing documentation. Failure to furnish such documentation within 14 days upon request may result in penalties of up to RM100,000.

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Under the *Income Tax Act 1967*, certain payments made by the Malaysia Subsidiary to non-residents, including royalties, interest, technical service fees and management fees, may be subject to Malaysian withholding tax (generally at rates between 10% to 15%, unless reduced by a Double Taxation Agreement). Where applicable, the Malaysia Subsidiary is required to deduct and remit withholding tax to the Inland Revenue Board within one month of paying or crediting the non-resident.

Malaysia adopts a single-tier tax system, under which income tax paid by a resident company is a final tax. Dividends distributed by the Malaysia Subsidiary are therefore tax-exempt in the hands of the shareholder. Furthermore, Malaysia does not currently impose withholding tax on dividends paid to non-resident corporate shareholders. (*Note: Effective Year of Assessment 2025, a 2% dividend tax applies to individual shareholders (both resident and non-resident) on annual dividend income exceeding RM100,000. This tax does not apply to corporate shareholders such as Deye Enterprise Limited*).

Effective 1 March 2024, Malaysia imposes Capital Gains Tax on the disposal of unlisted shares in Malaysian companies. While the Malaysia Subsidiary itself may not trigger this on its own assets, any future disposal of the Malaysia Subsidiary’s shares by its shareholder may be subject to CGT at the prevailing rate (generally 10% on net gains).

The manufacture and sale of goods in Malaysia are subject to the *Sales Tax Act 2018*, which generally imposes sales tax at a rate of 10% on taxable goods. As a manufacturer, the Malaysia Subsidiary is required to register for Sales Tax if its sales value of taxable goods exceeds RM500,000 within a 12-month period. However, goods manufactured for export are generally exempted from sales tax, subject to compliance with prescribed documentation requirements.

The Inland Revenue Board of Malaysia has implemented a mandatory electronic invoicing (e-Invoicing) system. For new businesses or operations commencing from year 2026 onwards, the e-Invoice implementation date is 1 July 2026 or upon the operation commencement date. However, if the first year’s turnover or revenue is less than RM1,000,000, the e-Invoice implementation date would be 1 January in the second year following the year in which the total annual turnover or revenue reached RM1,000,000. The Malaysia Subsidiary is required to issue and validate e-Invoices for all commercial transactions (including B2B and exports) in compliance with the Inland Revenue Board’s guidelines. Compliance with e-Invoicing is mandatory for the deductibility of expenses and the validation of income for tax purposes.

Laws and Regulations Relating to Foreign Exchange Administration

Malaysia’s foreign exchange administration framework is governed by policies issued by Bank Negara Malaysia pursuant to the Financial Services Act 2013. Although Malaysia does not impose general foreign exchange controls on current account transactions, certain capital account transactions, including intercompany loans, guarantees, equity funding arrangements and profit repatriation involving non-residents, are subject to reporting requirements and prescribed conditions. The Malaysia Subsidiary is required to comply with applicable foreign exchange reporting obligations in relation to capital injections, dividend distributions and cross-border financing arrangements.

Laws and Regulations Relating to Competition

Competition matters in Malaysia are governed by the Competition Act 2010, which prohibits anti-competitive agreements, abuse of dominant position and other conduct which has the effect of significantly preventing, restricting or distorting competition in any market in Malaysia. The Malaysia Subsidiary is required to ensure that its commercial arrangements, including pricing practices, distribution arrangements and dealings with competitors, suppliers or customers, comply with applicable competition laws. Breaches may result in financial penalties and directions to cease infringing conduct.

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Laws and Regulations Relating to Intellectual Property

Intellectual property rights in Malaysia are governed by, among others, the Patents Act 1983, the Trademarks Act 2019, the Copyright Act 1987 and the Industrial Designs Act 1996, which are administered by the Intellectual Property Corporation of Malaysia.

In the course of its manufacturing operations, the Malaysia Subsidiary uses proprietary technologies, software, product designs, trademarks and technical know-how, some of which may be owned by other members of the Group or licensed to the Malaysia Subsidiary. The Malaysia Subsidiary is required to ensure that it has the necessary rights and licences to use such intellectual property in Malaysia and that its operations do not infringe third-party intellectual property rights. Malaysia law provides for civil remedies and, in certain circumstances, criminal sanctions for infringement of intellectual property rights.

Laws and Regulations Relating to Product Liability and Consumer Protection

The Consumer Protection Act 1999 imposes product safety and strict liability obligations in respect of defective goods supplied in Malaysia. While the Malaysia Subsidiary primarily manufactures products for export or commercial use, liability may arise where defective products supplied in Malaysia cause damage, personal injury or loss. Manufacturers may be subject to civil liability, mandatory corrective actions or product recalls in respect of unsafe products.

Laws and Regulations Relating to Insurance

Certain aspects of the Malaysia Subsidiary’s operations are subject to mandatory insurance requirements under Malaysian law, including insurance coverage for workplace injuries under the Employees’ Social Security Act 1969. In addition, as an operator of manufacturing facilities and industrial premises, the Malaysia Subsidiary typically maintains insurance policies in respect of property damage, business interruption, public liability, product liability and other operational risks. While such insurance is not comprehensively mandated by statute, failure to maintain adequate insurance coverage may expose the Malaysia Subsidiary to material financial and operational risks.

Laws and Regulations Relating to Data Protection, Anti-Corruption and Compliance

The Personal Data Protection Act 2010 (as amended by the Personal Data Protection (Amendment) Act 2024) governs the collection, use, disclosure and protection of personal data in commercial transactions. The Malaysia Subsidiary is required to implement appropriate data protection measures, appoint a data protection officer (if applicable), notify the Personal Data Protection Commissioner of personal data breach which causes or is likely to cause “significant harm” as defined in the Personal Data Protection Guideline – Data Breach Notification, and comply with restrictions on the processing and cross-border transfer of personal data.

In addition, where the Malaysia Subsidiary is designated as an entity owning or operating national critical information infrastructure, it may be subject to the Cyber Security Act 2024, which imposes duties to conduct risk assessments, audits and incident reporting.

The Malaysian Anti-Corruption Commission Act 2009 criminalises bribery and corruption in both the public and private sectors. A commercial organisation may be held liable for corrupt acts committed by associated persons unless adequate procedures to prevent corruption are in place.

Malaysia implements international sanctions and trade restrictions through various legislative and regulatory instruments. The Malaysia Subsidiary is required to ensure that it does not engage in dealings with designated individuals, entities or jurisdictions subject to applicable sanctions or trade restrictions.