

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the People’s Republic of China (《中華人民共和國憲法》) (or the “Constitution”) and consists of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, departmental rules, local government rules, and international treaties and other normative documents signed by the PRC government. Court judgments do not constitute binding precedents. However, they can serve as judicial references and guidance.

According to the Constitution and the Legislation Law of the People’s Republic of China (Amended in 2023) (《中華人民共和國立法法(2023修正)》) (“Legislation Law”), the National People’s Congress (NPC) and its Standing Committee (SCNPC) exercise the state’s legislative power in accordance with the Constitution. The NPC has the power to formulate and amend basic laws governing civil, criminal, state organs, and other matters. The NPC may authorize its Standing Committee to formulate relevant laws. The SCNPC formulates and amends laws other than those that shall be formulated by the NPC; during the adjournment of the NPC, it may make supplements and amendments to laws formulated by the NPC, provided that such supplements and amendments do not contravene the basic principles of those laws.

The State Council is the highest organ of state administration in China, and has the power to formulate administrative regulations based on the Constitution and laws, except for matters involving crimes and penalties, deprivation of citizens’ political rights, compulsory measures and penalties restricting personal freedom, and the judicial system.

The people’s congresses of provinces, autonomous regions and municipalities and their standing committees may formulate local regulations based on the specific circumstances and actual needs of their administrative areas, provided that such local regulations do not contravene any provisions of the Constitution, laws or administrative regulations.

Ministries and commissions under the State Council, the People’s Bank of China, the National Audit Office of the People’s Republic of China, institutions established by law, and administrative organs directly under the State Council may, within their respective powers, formulate rules and regulations in accordance with laws, and administrative regulations, decisions and orders of the State Council.

The people’s congresses of cities above the district level and their standing committees may, in light of their specific conditions and actual needs, formulate local regulations on matters such as urban and rural construction and management, ecological civilization development, and historical and cultural preservation. These regulations shall take effect after being reported to and approved by the standing committees of the people’s congresses of the respective provinces or autonomous regions. However, such local regulations must conform to the Constitution, laws, administrative regulations, and local regulations of the relevant

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

provinces or autonomous regions. People’s congresses of national autonomous areas have the power to formulate autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned.

The people’s governments of provinces, autonomous regions, municipalities, cities divided into districts and autonomous prefectures may formulate rules and regulations in accordance with laws, administrative regulations, and the local regulations of their respective provinces, autonomous regions or municipalities.

The Constitution has the highest legal authority, and no laws, administrative regulations, local regulations, autonomous regulations, or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules and regulations of local governments at the same or lower levels. The authority of the rules formulated by the people’s governments of the provinces and autonomous regions is greater than that of the rules formulated by the people’s governments of the cities divided into districts and autonomous prefectures within their respective administrative regions of the provinces and autonomous regions.

The NPC has the power to amend or repeal inappropriate laws formulated by its standing committee, and to repeal autonomous regulations or separate regulations that have been approved by its standing committee but contravene the Constitution or the Legislation Law. The SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws, or administrative regulations, and to annul autonomous regulations or local regulations that have been approved by the standing committees of the people’s congresses of the relevant provinces, autonomous regions, or municipalities but contravene the Constitution and the Legislation Law. The State Council has the power to amend or annul any improper ministerial rules and regulations as well as rules and regulations of local governments. The people’s congresses of provinces, autonomous regions and municipalities have the power to amend or annul any improper local regulations formulated or approved by their standing committees. The people’s governments of provinces and autonomous regions have the power to amend or annul improper rules and regulations formulated by lower-level people’s governments.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) adopted on 10 June 1981, the Supreme People’s Court of the People’s Republic of China (“the Supreme People’s Court”) shall give general interpretation on questions involving the specific application of laws and decrees in court trials. The State Council and its various ministries and commissions also have the power to interpret the administrative regulations and departmental

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

rules and regulations they have promulgated. At the regional level, the power to interpret local regulations and administrative rules and regulations belongs to the local legislative and administrative bodies that promulgated the relevant regulations and rules.

PRC JUDICIAL SYSTEM

According to the Constitution and the Law of the People’s Republic of China on the Organization of the People’s Courts (《中華人民共和國人民法院組織法》) most recently amended by the SCNPC on 26 October 2018 and becoming effective on 1 January 2019, the People’s Court of China is made up of the Supreme People’s Court, the local people’s courts, and other special people’s courts. The local people’s courts are divided into three levels, namely the basic people’s courts, the intermediate people’s courts and the higher people’s courts. The basic people’s courts set up certain people’s tribunals based on the status of the region, population and cases. The Supreme People’s Court is the highest judicial organ. The Supreme People’s Procuratorate supervise the work of the local people’s procuratorates at all levels and of the special people’s procuratorates; the people’s procuratorates at higher levels supervise the work of those at lower levels.

According to the Constitution and the Law of the People’s Republic of China on the Organization of the People’s Procuratorates (《中華人民共和國人民檢察院組織法》) most recently amended by the SCNPC on 26 October 2018 and becoming effective on 1 January 2019, the People’s Procuratorate is the law supervision organ of the state. The Supreme People’s Procuratorate is the highest procuratorial organ. The Supreme People’s Procuratorate shall direct the work of the local people’s procuratorates at all levels and of the special people’s procuratorates; the people’s procuratorates at higher levels shall direct the work of those at lower levels.

The people’s courts employ a two-tier appellate system, and judgments or rulings of the second instance at the people’s courts are final. A party may appeal against the judgment or ruling of the first instance of a local people’s court. The people’s procuratorate may present a protest to the people’s courts at the next higher level in accordance with the procedures stipulated by laws. If, within the stipulated period, a party does not appeal and the people’s procuratorate does not protest, the judgment or ruling of the people’s court shall be considered a final judgment or ruling. Judgments or rulings of the second instance of the intermediate people’s courts, the higher people’s courts and the Supreme People’s Court and those of the first instance of the Supreme People’s Court are final. However, if the Supreme People’s Court or a higher-level people’s court finds that a final and legally effective judgment or ruling of a lower-level people’s court contains obvious errors, or if the chief judge of any people’s court finds that a final and legally effective judgment or ruling of their court contains obvious errors, the case may be reheard in accordance with judicial supervision procedures.

The Civil Procedure Law of the People’s Republic of China (《中華人民共和國民事訴訟法》), most recently amended by the SCNPC on 1 September 2023 and becoming effective on 1 January 2024, sets forth the conditions for instituting a civil action, the jurisdiction of the people’s courts, the procedures to be followed for conducting a civil action and the procedures

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

for enforcement of a civil judgment or ruling. Parties engaging in civil litigation within the territory of China must abide by the relevant provisions of the Civil Procedure Law of the People’s Republic of China. Civil cases are generally heard by the courts where the defendants are domiciled. Parties to a contract may also expressly agree to select a court with jurisdiction for civil litigation, provided that such court is located at the domicile of the plaintiff or defendant, the place of performance or signing of the contract, or the location of the subject matter of the lawsuit, or any other place that has a direct connection with the dispute. However, the choice of the court shall in no circumstances violate the provisions on hierarchical jurisdiction and exclusive jurisdiction.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or responding to proceedings at a people’s court. Where a foreign court restricts the right to litigate of Chinese citizens, legal persons, or other enterprises, Chinese courts may impose reciprocal restrictions on the citizens, legal persons, or other enterprises of that country. A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must engage a lawyer from mainland China if such party needs to engage a lawyer in initiating or responding to proceedings at a people’s court. Under an international treaty to which mainland China is a party or on the basis of the principle of reciprocity, the people’s courts and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions. If the matter for which assistance is requested by a foreign court would prejudice the sovereignty, security, or public interests of China, the people’s court shall not execute it.

All parties must comply with legally effective civil judgments and rulings. If any party to a civil action refuses to comply with a judgment or ruling made by a people’s court or an award made by an arbitration tribunal, the other party may apply to the people’s court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

Where a legally effective judgment or ruling rendered by a people’s court is to be enforced and the person against whom enforcement is sought or the property to be enforced is not located within the territory of China, the party concerned may directly apply to a competent foreign court for recognition and enforcement. If an application is made or a request is submitted to a people’s court for recognition and enforcement of a legally effective judgment or ruling made by a foreign court, the people’s court shall review such judgment or ruling in accordance with international treaties concluded or acceded to by China, or based on the principle of reciprocity. After review, if the people’s court believes that the judgment or ruling does not violate the basic principles of Chinese law or national sovereignty, security, or social public interests, it shall rule to recognize its validity.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

CHINA’S COMPANY LAW, TRIAL MEASURES, AND GUIDELINES FOR ARTICLES OF ASSOCIATION

The Company Law of the People’s Republic of China (《中華人民共和國公司法》) (the “Company Law”) was adopted on 29 December 1993, at the Fifth Session of the Standing Committee of the Eighth National People’s Congress and came into force on 1 July 1994. It was amended on 25 December 1999, 28 August 2004, 27 October 2005, 28 December 2013, 26 October 2018, and 29 December 2023, respectively. The most recently amended Company Law became effective on 1 July 2024.

China Securities Regulatory Commission (the “CSRC”) promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (or the “Trial Measures”) and its five interpretative guidelines on 17 February 2023 and implemented it on 31 March 2023, which apply to the direct and indirect subscription and listing of shares by domestic companies outside China.

According to the Trial Measures and its interpretative guidelines, where a domestic company directly offers and lists securities overseas, it shall formulate its articles of association in accordance with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) (or the “Guidelines for Articles of Association”), in place of the Notice on Implementing the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《關於執行<到境外上市公司章程必備條款>的通知》), which ceased to apply as of 31 March 2023. The Guidelines for Articles of Association were promulgated by the CSRC on 16 December 1997, and most recently revised on 28 March 2025.

The principal provisions of the Company Law, the Trial Measures, and the Guidelines for Articles of Association applicable to the Company are summarized as follows.

GENERAL PROVISIONS

A joint stock limited company refers to a corporate legal person incorporated in accordance with the Company Law, whose registered capital is divided into shares of equal par value. The liability of shareholders is limited to the number of shares they hold, and the company shall be liable for its debts with all of its assets.

In conducting its business, a joint stock limited company shall comply with laws and regulations, observe public and commercial ethics, act in good faith, and accept supervision by the government and the public. A company may invest in other enterprises. Where the law provides that a company shall not bear joint and several liability for the debts of an invested enterprise as a contributor, such provision shall prevail.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

INCORPORATION

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company shall have more than one and no more than 200 promoters, among whom more than half shall have domicile within China.

Promoters shall, within 30 days from the date on which the share capital has been fully paid up, convene and preside over the inaugural meeting of the company, and shall, at least 15 days before the inaugural meeting, notify all subscribers of the meeting date or make an announcement. The inaugural meeting may only be held if attended by promoters and subscribers representing more than half of the total shares. Powers to be exercised at the inaugural meeting include but are not limited to the adoption of the Articles of Association and the election of members of the Board of Directors and the Supervisory Committee of the company. Resolutions on the matters listed in the preceding paragraph made at the meeting must be approved by more than half of the voting rights held by the subscribers present.

Within 30 days after the conclusion of the inaugural meeting, the Board of Directors shall apply to the registration authority for the registration of the establishment of the joint stock company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

REGISTERED SHARES

Under the Company Law, shareholders may make capital contributions in cash, or in non-monetary assets that can be valued in monetary terms and legally transferred, such as contributions in kind, intellectual property rights, land use rights, shareholding, or claims.

The Trial Measures provides that domestic enterprises issuing and listing shares abroad may raise funds and distribute dividends in foreign currencies or in Renminbi.

According to the Trial Measures, where a domestic enterprise directly offers and lists its shares overseas, shareholders holding its unlisted domestic shares who apply to convert these unlisted domestic shares into overseas listed shares for listing and circulation on overseas trading venues shall comply with the relevant provisions of the CSRC and shall entrust the domestic enterprise to file with the CSRC. The term “unlisted domestic shares” as referred to in the preceding paragraph refers to shares issued by a domestic enterprise but not yet listed or traded on a domestic trading venue. The unlisted shares shall be centrally deposited with domestic securities registration and settlement institutions. Registration and settlement arrangements for overseas listed shares, among other matters, shall be governed by the regulations of the overseas listing place.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

According to the Company Law, a joint stock limited company shall maintain a register of members, recording the following matters: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed by each shareholder; (iii) the serial numbers of shares (if issued in paper form); and (iv) the date on which each shareholder acquires the shares.

ALLOTMENT AND ISSUANCE OF SHARES

All shares issued by a joint stock limited company must be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and of the same class must be issued under the same conditions and at the same price. It may issue shares at par value or at a premium, but shall not issue shares below the par value.

Domestic enterprises issuing and listing shares overseas shall file with the CSRC in accordance with the Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information. Where a domestic enterprise directly issues and listing shares overseas, the issuer shall file with the CSRC. If a domestic enterprise indirectly issues and lists shares overseas, the issuer shall designate a major domestic operating entity as the domestic responsible party and file with the CSRC.

INCREASE IN SHARE CAPITAL

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the general meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to existing shareholders, if any. If no-par value shares are issued, the proceeds from the issuance of the new shares shall be included in the registered capital. Additionally, if a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the documents.

REDUCTION OF SHARE CAPITAL

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) prepare a balance sheet and a property list; (ii) pass a resolution to reduce the registered capital at a general meeting; (iii) notify creditors within 10 days after the resolution to reduce registered capital has been approved, and publish a notice in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days; (iv) creditors shall have the right to demand repayment of debts or provision of corresponding guarantees within 30 days of receiving such notice, or, if creditors have not received the notice, within 45 days after the publication of the notice; and (v) upon reducing registered capital, the company shall, in accordance with the law, apply to the company registration authority for registration of the change.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the Articles of Association of a joint stock limited company.

REPURCHASE OF SHARES

Under the Company Law, a company shall not purchase its own shares, except in the following circumstances: (i) reducing the registered capital; (ii) merging with other company that holds the shares of the company; (iii) using the shares for employee share scheme or equity incentives; (iv) shareholders who vote against a resolution on a merger or division passed by the general meeting may require the company to acquire the shares they hold; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; and (vi) as required for maintenance of the corporate value and shareholders' rights and interests of the listed company.

The purchase of the company's shares for reasons specified in items (i) to (ii) above shall be approved by a resolution of the general meeting; the purchase of the company's shares for reasons specified in items (iii), (v) and (vi) above shall be approved either by a resolution of the Board of Directors at a meeting attended by more than two-thirds of the directors or by authorization of the general meeting in accordance with the Articles of Association.

Where a company repurchases its shares in accordance with the foregoing provisions, if they fall under the circumstances specified in item (i), such shares shall be canceled within 10 days from the date of repurchase; if they fall under the circumstances specified in items (ii) and (iv), such shares shall be transferred or canceled within six months; and if they fall under the circumstances specified in items (iii), (v) and (vi), the total number of shares held by the company shall not exceed 10% of the company's total issued shares, and such shares shall be transferred or canceled within three years.

TRANSFER OF SHARES

Shares held by a shareholder may be transferred according to the law. Pursuant to the Company Law, shareholders transferring their shares shall do so on a securities trading venue established in accordance with the law or by other means prescribed by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of members. No changes to the registration in the register of members as provided in the foregoing provision shall be made within 20 days prior to the convening of a general meeting or within five days prior to the record date for the company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of members of a listed company, such provisions shall prevail.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

Under the Company Law, shares issued by the company prior to its public offering shall not be transferred within one year from the date on which the shares are listed and traded on a stock exchange. The directors, supervisors and senior management of the company shall declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year shall not exceed 25% of the total shares they hold of the company. Shares of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date of a company’s listing on a securities exchange. After such persons leave their positions, they shall not transfer any shares of the company held by them within six months from the date of such departure.

If the shares are pledged during the restricted transfer period as provided by laws and administrative regulations, the pledgee shall not exercise the right of pledge during such period.

SHAREHOLDERS

Under the Company Law and the Guidelines for Articles of Association, the rights of a shareholder of ordinary shares of a joint stock limited company include:

- (i) to legally request, convene, chair, attend, or dispatch shareholder’s proxy to attend the general meeting and exercise corresponding voting rights;
- (ii) to transfer, bestow, or pledge the shares they hold according to laws, administrative regulations, and the Articles of Association;
- (iii) to supervise and make recommendations or inquiries on the operation of the company;
- (iv) to inspect the articles of association, the register of members, the stubs of corporate bonds, minutes of general meetings, resolutions of the Board of Directors’ meetings, resolutions of the Supervisory Committee’ meetings, as well as financial and accounting reports;
- (v) to request the company to acquire their shares if they object to a resolution of a general meeting on merger or division of the company;
- (vi) to receive dividends and other types of distribution of benefits in proportion to their respective shareholdings;
- (vii) to participate in the distribution of the company’s remaining assets in the class of shares and the proportion to their respective shareholdings upon the termination or liquidation of the company; and

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

- (viii) other rights stipulated by laws, administrative regulations, departmental rules, or the Articles of Association.

The obligations of a shareholder of ordinary shares of a company include:

- (i) to comply with the Articles of Association;
- (ii) to pay capital contributions according to the number of shares subscribed and the method of contribution;
- (iii) not to abuse shareholders’ rights to harm the interests of the company or other shareholders; and not to abuse the independent status of the company as a legal person and the limited liability of shareholders to harm the interests of the company’s creditors; and
- (iv) other obligations conferred by laws, administrative regulations and the Articles of Association.

GENERAL MEETINGS

Under the Company Law, the general meeting of a joint stock limited company is made up of all shareholders. The general meeting is the organ of authority of a company, which exercises the following functions and powers:

- (i) to elect and replace directors and supervisors, and to decide on matters relating to their remuneration;
- (ii) to review and approve the reports of the Board of Directors;
- (iii) to review and approve the reports of the Supervisory Committee;
- (iv) to review and approve the profit distribution plans and loss recovery plans of the company;
- (v) to pass resolutions on the increase or reduction of the company’s registered capital;
- (vi) to resolve on the issuance of corporate bonds;
- (vii) to make resolutions on the merger, division, dissolution, liquidation or change of the corporate form of the company;
- (viii) to amend the company’s Articles of Association;
- (ix) to make resolutions on the appointment or dismissal of accounting firms;

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

- (x) to review and approve the guarantee matters set out in Article 47 of the Articles of Association;
- (xi) to review any purchase or disposal of material assets by the company within one year with an aggregate value exceeding 30% of the company's latest audited total assets;
- (xii) to review and approve any change in the use of proceeds;
- (xiii) to consider equity incentive schemes and employee share schemes; and
- (xiv) other functions and powers specified in the Articles of Association.

The annual general meeting shall be held once a year in accordance with the Company Law. According to the Company Law, an extraordinary general meeting (EGM) shall be convened within two months if any of the following circumstances occur:

- (i) when the number of directors falls below the quorum prescribed by law or two-thirds of the number required by the Articles of Association;
- (ii) when the uncovered loss of the company reaches one-third of the total share capital of the company;
- (iii) upon requests by shareholders individually or collectively holding more than 10% of the total number of the company's shares;
- (iv) when deemed necessary by the Board of Directors;
- (v) when the Supervisory Committee proposes for such a meeting; or
- (vi) other circumstances stipulated in the Articles of Association of the company.

General meetings shall be convened by the Board of Directors, and presided over by the chairman of the Board of Directors. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the Board of Directors is incapable of performing or is not performing its duties to convene the general meeting, the Supervisory Committee shall convene and preside over the meeting in a timely manner. If the Supervisory Committee does not convene and preside over the meeting, shareholders individually or collectively holding more than 10% of the company's shares for more than 90 consecutive days may convene and preside over the meeting on their own.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

If the shareholders who individually or collectively hold more than 10% of the company's shares request to convene an EGM, the Board of Directors and the Supervisory Committee shall, within 10 days after the receipt of such request, decide whether to hold an EGM and reply to the shareholders in writing.

Notice of a general meeting shall be given to all shareholders 20 days prior to the meeting, specifying the time, place and matters to be considered; notice of an EGM shall be given to all shareholders 15 days prior to the meeting. If bearer shares are issued, an announcement shall be made 30 days prior to the meeting to disclose the time, place, and matters for review on the meeting.

Shareholders who individually or collectively hold more than 1% of the Company's shares may propose an extraordinary proposal to the convener in writing 10 days before the holding of such general meeting. The convener shall, within two days after receipt of the proposal, issue a supplementary notice of the general meeting to announce the contents of the interim proposal.

Under the Company Law, where a shareholder appoints a proxy to attend a general meeting, the matters, powers and term of the proxy's authority shall be clearly specified. The proxy shall submit a shareholder's power of attorney to the company and exercise the voting rights within the scope of the authority granted. The Company Law does not contain specific provisions on the number of shareholders required to constitute a quorum for a general meeting.

Under the Company Law, shareholders present at a general meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

When the general meeting elects directors and supervisors, a cumulative voting system may be adopted in accordance with the provisions of the Articles of Association or the resolutions of the general meeting. Under the cumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the general meeting, and shareholders may consolidate their voting rights when casting a vote.

Pursuant to the Company Law and the Guidelines for Articles of Association, a resolution passed at the general meeting must be approved by a majority of the voting rights held by the shareholders present at the meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the Articles of Association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

BOARD OF DIRECTORS

Under the Company Law, a joint stock limited company shall have a Board of Directors, which consists of more than three members. The term of office of a director shall be stipulated in the Articles of Association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

The Board of Directors shall convene meetings at least twice a year. All directors and supervisors shall be notified 10 days before each meeting. The Board of Directors shall exercise the following functions and powers:

- (i) to convene general meetings and report to general meetings;
- (ii) to implement the resolutions of general meetings;
- (iii) to decide business operation plans and investment plans of the company;
- (iv) to formulate the company’s profit distribution plan and loss recovery plan;
- (v) to formulate proposals for the increase or reduction of the company’s registered capital and the issue of corporate bonds;
- (vi) to formulate plans for merger, division, dissolution or change of the corporate form of the company;
- (vii) to decide on the establishment of the company’s internal management bodies;
- (viii) to decide on the appointment or dismissal of the company’s managers and their remuneration;
- (ix) to decide on the appointment or dismissal of the deputy managers and financial officers of the company based on the nomination of the manager and as well as their remuneration;
- (x) to formulate the basic management system of the company; and
- (xi) other functions and powers specified in the Articles of Association or granted by the general meeting.

A meeting of the Board of Directors shall not be held unless more than half of the directors are present. Directors unable to attend for a certain reason may appoint another director to attend the meeting in writing, and the power of attorney shall clearly state the scope of authorization. If a resolution of the Board of Directors violates laws, administrative regulations, the Articles of Association, and causes the company to suffer significant losses, the

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

directors who participated in the resolution shall be liable to the company for compensation. However, if it is proven that a director expressed objections during the meeting and such objections were recorded in the meeting minutes, he or she may be exempted from liability.

Under the Company Law, a person may not serve as a director of a company if he/she is:

- (i) having no capacity or limited capacity for civil conduct;
- (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;
- (iii) a director, factory director or manager of a company or enterprise liquidated upon bankruptcy, who was personally responsible for the bankruptcy of the company or enterprise, and not more than three years have elapsed since the date of completion of the bankruptcy liquidation;
- (iv) a person who was a legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who was personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and
- (v) a person who is listed as a defaulter by a people's court since he/she owes a large amount of debts due and unsettled.

The Board of Directors shall have one chairman, who shall be elected by more than half of all the directors. The chairman of the Board shall exercise the following functions and powers (including but not limited to): (i) to preside over general meetings and convene and preside over meetings of the Board of Directors; (ii) to supervise, promote, and inspect the implementation of resolutions of the Board of Directors; and (iii) to exercise other powers conferred by the Board of Directors.

SUPERVISORY COMMITTEE

A joint stock limited company may, in accordance with the provisions of its Articles of Association, establish an Audit Committee composed of directors within the Board of Directors to exercise the powers of the Supervisory Committee as prescribed by the Law, without establishing a Supervisory Committee or appointing supervisors.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

A joint stock limited company with a relatively small scale or a small number of shareholders may not establish a Supervisory Committee, but instead have one supervisor who shall exercise the functions and powers of the Supervisory Committee as stipulated by the Law.

Except for the two special circumstances mentioned above, the Supervisory Committee of a joint stock limited company shall consist of three or more members. The Supervisory Committee shall comprise shareholder representatives and an appropriate proportion of the company's employee representatives, of which the proportion of employee representatives shall not be less than one-third of the number of supervisors and the specific proportion shall be stipulated in the Articles of Association. Employee representatives of the Supervisory Committee shall be democratically elected by the company's employees at the employee representatives' general meeting, employees' general meeting or otherwise. Directors or senior management of the company may not act concurrently as supervisors.

The Supervisory Committee shall have one chairman and may have vice chairmen. The chairman and deputy chairmen of the Supervisory Committee shall be elected by a majority of all supervisors. The chairman of the Supervisory Committee shall convene and preside over meetings of the Supervisory Committee. If the chairman of the Supervisory Committee is unable to perform his/her duties or fails to perform them, the vice chairman of the Supervisory Committee shall convene and preside over meetings of the Supervisory Committee. If the vice chairman of the Supervisory Committee is unable to perform his/her duties or fails to perform them, more than half of the supervisors shall jointly elect one supervisor to convene and preside over meetings of the Supervisory Committee.

The term of office of a supervisor shall be three years, and a supervisor may be re-elected upon the expiration of their term. If the term of office of a supervisor expires but the supervisor is not re-elected in time, or the resignation of the supervisor during the term of office causes the number of members of the Supervisory Committee to be less than the quorum, the former supervisor shall still perform the duties as a supervisor in accordance with the provisions of laws, administrative regulations and the Articles of Association before the newly elected supervisor takes office.

The Supervisory Committee shall hold at least one meeting every six months. According to the Company Law, resolutions of the Supervisory Committee shall be approved by more than half of all supervisors.

The Supervisory Committee shall exercise the following functions and powers:

- (i) to inspect the company's financial affairs;
- (ii) to supervise the performance of duties by directors and senior management personnel, and to propose the dismissal of directors and senior management personnel who violate laws, administrative regulations, the Articles of Association, or resolutions of general meetings;

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

- (iii) when the acts of directors or senior management personnel harm the interests of the company, to demand that such directors or senior management personnel rectify their actions;
- (iv) to propose the convening of an extraordinary general meeting of shareholders, and to convene and preside over such meetings if the Board of Directors fails to perform its duties of convening and presiding over general meetings as stipulated by the Company Law;
- (v) to submit proposals to the general meetings;
- (vi) to initiate legal proceedings against directors and senior management personnel in accordance with the Company Law;
- (vii) to review the company’s periodic reports prepared by the Board of Directors and, after review, provide written opinions thereon;
- (viii) if abnormal operating conditions of the company are discovered, to conduct investigations as appropriate; and when necessary, to engage accounting firms, law firms, or any other professional institutions as appropriate to assist in its work, with the expenses borne by the company; and
- (ix) other functions and powers specified in the Articles of Association.

Pursuant to the Articles of Association Guidelines, the board of directors of the company shall establish an audit committee to exercise the supervisory powers prescribed by the Company Law.

MANAGER AND SENIOR MANAGEMENT

Under the Company Law, a company shall have a manager who is appointed or removed by the Board of Directors. The manager is accountable to the Board of Directors and exercises his/her functions and powers according to the Articles of Association or the authorization of the Board of Directors. The manager shall attend the Board of Directors’ meetings.

Under the Company Law, senior management refers to a company’s manager, deputy manager, chief financial officer, the secretary of the Board of Directors, and any other personnel specified in the company’s Articles of Association.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

DUTIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the Articles of Association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company's properties.

Directors, supervisors and senior management are prohibited from:

- (i) embezzling the company's property and misappropriating the company's capital;
- (ii) depositing company funds into an account opened in the individual's own name or in the name of another individual;
- (iii) bribing or accepting other illegal income by abusing their powers;
- (iv) accepting and possessing commissions paid by a third party for transactions conducted with the company;
- (v) disclosing the company's confidential business information without authorization; and
- (vi) other acts in violation of their fiduciary duty to the company.

If any director, supervisor or senior management of the company directly or indirectly concludes a contract or conducts a transaction with the company, he/she shall report the matters relating to the conclusion of the contract or transaction to the Board of Directors or general meeting, subject to the approval of the Board of Directors or shareholders according to the Articles of Association.

The provisions of the preceding paragraph shall apply if any close relatives of the company's directors, supervisors or senior management, or any enterprises directly or indirectly controlled by the company's directors, supervisors or senior management or any of their close relatives, or any related parties having any other related-party relationship with the company's directors, supervisors or senior management, conclude a contract or conduct a transaction with the company.

Neither director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person, except under any of the following circumstances:

- (i) a director, supervisor, or senior management member has reported the business opportunity to the Board of Directors or the general meeting and obtained approval in accordance with the Articles of Association through a resolution of the Board or the general meeting; or

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

- (ii) the company is unable to exploit the business opportunity in accordance with laws, administrative regulations, or the Articles of Association.

If any director, supervisor, or senior management personnel fails to report to the Board of Directors or the general meeting and obtain approval in accordance with the Articles of Association through a resolution of the Board or the general meeting, they may not engage, on their own or for others, in a business of the same type as that of the company in which they hold office.

Directors, supervisors, or senior management personnel of the company who, in the performance of their duties, violate any laws, regulations, or the Articles of Association and cause any loss to the company shall be personally liable to the company.

The Guidelines for Articles of Association stipulate that directors and senior management personnel of the company shall have a duty of diligence towards the company. For example, directors shall exercise the powers granted by the company prudently, conscientiously and diligently to ensure that the company's business conduct complies with the requirements of national laws, administrative regulations, and various economic policies, and that business activities do not exceed the business scope stipulated in the company's business license; directors shall treat all shareholders fairly; shareholders shall promptly understand the company's business operations and management status; directors and senior management personnel shall sign written confirmation opinions on the company's periodic reports and ensure that the information disclosed by the company is true, accurate, and complete; directors and senior management personnel shall truthfully provide relevant information and materials to the Supervisory Committee and shall not obstruct the Supervisory Committee or individual supervisors from exercising their functions and powers; directors and senior management personnel shall also bear other duties of diligence stipulated by laws, administrative regulations, departmental rules, and the Articles of Association.

FINANCE AND ACCOUNTING

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual general meeting. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

When a company distributes its after-tax profits for the current year, it shall allocate 10% of such profits to the company’s statutory reserve fund. If the cumulative amount of the statutory reserve fund reaches 50% or more of the company’s registered capital, no further allocation is required. If the statutory reserve fund is not sufficient to make up the losses in the previous years, the profits of the current year shall be used to make up the losses before allocations are set aside for the statutory reserve fund according to the provisions of the preceding paragraph. After the company allocates funds to the statutory reserve fund from the after-tax profits, it may also allocate funds to a discretionary reserve fund from the after-tax profits upon a resolution of the general meeting.

The remaining after-tax profits after the company has made up losses and set aside funds for the reserve funds shall be distributed by a joint stock limited company in proportion to the shares held by the shareholders, unless otherwise provided in the Articles of Association.

The premiums received by the company from the issuance of shares at a price above their nominal value, the proceeds from the issuance of no-par-value shares that have not been credited to registered capital, and other items required by the financial department of the State Council to be included in capital reserve shall be included in the company’s capital reserve.

A company’s reserve funds shall be used to make up for its losses, expand its production and operations, or be converted into additional registered capital of the company. When the reserve funds are used to make up for the company’s losses, the discretionary reserve funds and the statutory reserve fund shall be used first; if the losses still cannot be fully made up, the capital reserve fund may be used in accordance with relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounting books other than those provided by law.

APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

According to the Company Law, the appointment or dismissal of accounting firms undertaking the company’s audit business shall be decided by the general meeting, the Board of Directors, or the Supervisory Committee in accordance with the provisions of the company’s Articles of Association. The accounting firm shall be allowed to make representations when the general meeting, the Board of Directors or the Supervisory Committee conducts a vote on the dismissal of the accounting firm. The company shall provide the engaged accounting firm with authentic and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials, and shall not refuse, conceal, or falsify any of them.

The Guidelines for Articles of Association provides that the company shall ensure that it provides true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information to the employed accounting firm, and shall not refuse to provide, conceal or make false statements in respect thereof. The audit fee of the accounting firm shall be decided by the general meeting.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

PROFIT DISTRIBUTION

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders, directors, supervisors, and senior management who are responsible for causing losses to the company shall bear compensation liability.

DISSOLUTION AND LIQUIDATION

According to the Company Law, a company shall be dissolved for the following reasons:

- (i) the term of business stipulated in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;
- (ii) the general meeting passes a resolution to dissolve the company;
- (iii) dissolution is necessary due to a merger or division of the company;
- (iv) the business license is revoked, or the company is ordered to be closed or revoked in accordance with laws;
- (v) where the company encounters serious difficulties in operation and management such that its continued existence would cause significant losses to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders holding 10% or more of the total voting rights of the Company may petition a people's court to dissolve the company.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within 10 days.

If the company is in circumstances (i) and (ii) above and has not yet distributed assets to the shareholders, it may continue to exist by amending its Articles of Association or by a resolution of the general meeting. Amendments to the Articles of Association in accordance with the provisions of the preceding paragraph or by a resolution of the general meeting shall be approved by shareholders representing more than two-thirds of the voting rights present at the general meeting.

Where the company is dissolved pursuant to items (i), (ii), (iv) or (v) above, it shall be liquidated. The company's directors are the liquidation obligors and shall form a liquidation committee to conduct liquidation within 15 days from the date the dissolution cause occurs. The liquidation committee shall consist of directors, unless otherwise provided in the Articles of Association or the general meeting resolves to select other persons. If the liquidation obligors fail to perform their liquidation obligations in a timely manner, resulting in losses to the Company or its creditors, they shall be liable for compensation.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

If it fails to establish a liquidation committee to carry out liquidation after the expiry of the time limit or fails to carry out liquidation after establishing the liquidation committee, the interested parties can apply to the people’s court for appointing relevant officers to establish the liquidation committee to carry out the liquidation. The people’s court shall accept such request and organize a liquidation committee to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (i) to liquidate the company’s assets and prepare a balance sheet and an inventory of assets;
- (ii) to notify creditors by notice or public announcement;
- (iii) to deal with the outstanding business of the company involved in the liquidation;
- (iv) to pay all outstanding taxes and taxes arising in the course of liquidation;
- (v) to clear claims and debts;
- (vi) to distribute the remaining property of the company after paying off debts;
- (vii) to participate in civil litigations on behalf of the company.

The liquidation committee shall notify the company’s creditors within 10 days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement for those who have not received the notice, declare their claims to the liquidation committee.

After the payment of liquidation expenses, employees’ wages, social insurance expenses and statutory compensations, outstanding taxes and the company’s debts from the company’s property, for a limited liability company, the remaining assets shall be distributed in proportion to the shareholders’ capital contributions, and for a joint stock company, the remaining assets shall be distributed in proportion to the shares held by the shareholders.

During the liquidation period, the company still exists but shall not carry out any business activities not related to the liquidation. The assets of the company shall not be distributed to shareholders before the liquidation in accordance with the provisions of the preceding paragraph.

If the liquidation committee, having thoroughly liquidated the Company’s assets and prepared a balance sheet and an inventory of assets, finds that the Company’s assets are insufficient to pay its debts in full, it shall apply to the people’s court for bankruptcy

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

liquidation in accordance with laws. After the people’s court accepts the application for bankruptcy liquidation, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people’s court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the people’s court for confirmation and file the confirmed liquidation report with the company registration authority to apply for deregistration of the company.

Members of the liquidation committee shall perform their liquidation obligation and bear fiduciary and diligent duties. If members of the liquidation committee neglect their liquidation obligation and cause losses to the Company, they shall be liable for compensation. If members of the liquidation committee cause losses to the Company or creditors intentionally or through gross negligence, they shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company’s deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

OVERSEAS LISTING

According to the Trial Measures, where an issuer makes an overseas initial public offering or listing, it shall file with the CSRC within three working days after submitting relevant application documents abroad for the offering or listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within three working days after the completion of the issuance. If an issuer, after its overseas issuance and listing, seeks to issue and list securities in another overseas market, it shall complete the filing procedures in accordance with the first paragraph of this Article. Furthermore, if the filing materials are complete and comply with regulations, the CSRC shall complete the filing within 20 working days from the date of receiving the filing materials and publicly disclose the filing information on the CSRC website. If the filing materials are incomplete or do not comply with regulations, the CSRC shall, within five working days after receiving the filing materials, inform the issuer of the supplementary materials required. The issuer shall supplement the materials within 30 working days.

SUSPENSION AND TERMINATION OF LISTING

The Company Law has deleted the provisions governing suspension and termination of listing. The Securities Law of the People’s Republic of China (revised in 2019) (《中華人民共和國證券法(2019年修訂)》) has also removed provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

According to the Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within three working days from the date of occurrence and announcement of the relevant matters.

LOSS OF SHARE CERTIFICATES

In the event that registered shares are lost, stolen, or destroyed, relevant shareholders may, in accordance with the relevant provisions of the Civil Procedure Law, request the people’s court to declare the share certificate invalid. After the people’s court declares the share certificate invalid, the shareholder may apply to the company for the reissuance of the share certificate.

MERGERS AND DIVISIONS

A company may merge through absorption merger or by establishing a new merged entity. If an absorption merger is adopted, the absorbed company shall be dissolved. If a merger is conducted by establishing a new company, all original companies shall be dissolved.

CHINESE SECURITIES LAWS, REGULATIONS AND REGULATORY SYSTEM

China has promulgated numerous regulations concerning share issuance and trading, and information disclosure. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the territory of China and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by Chinese companies in or out of China, supervising the trading of securities, compiling securities-related statistics and undertaking relevant research and analysis. In April 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) specify the application and approval procedures for public share offerings, share trading, acquisition of listed companies, custody, clearing and transfer of listed shares, information disclosure, investigations, penalties, and dispute resolution of listed companies.

The Securities Law came into effect on 1 July 1999, and was amended on 28 August 2004, 27 October 2005, 29 June 2013, 31 August 2014 and 28 December 2019, respectively. It is China’s first nationwide securities law, consisting of 14 chapters and 226 articles, primarily regulating matters such as the issuance and trading of securities, the acquisition of listed companies, securities exchanges, securities firms, and the responsibilities of securities regulatory authorities under the State Council. The Securities Law comprehensively regulates activities in China’s securities market. Article 224 of the Securities Law stipulates that

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

domestic enterprises issuing shares overseas shall comply with the relevant regulations of the State Council. Currently, the issuance and trading of shares overseas are primarily governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Arbitration Law of the People’s Republic of China (《中華人民共和國仲裁法》) (revised in 2025) (the “Arbitration Law”) was adopted by the SCNPC on 31 August 1994, became effective on 1 September 1995, and was amended on 27 August 2009, 1 September 2017 and 12 September 2025, and shall take effect on 1 March 2026. According to the Arbitration Law, before the All China Lawyers Association issues arbitration rules, an arbitration committee may formulate interim arbitration rules in accordance with the relevant provisions of the Arbitration Law and the Civil Procedure Law. If parties agree to resolve disputes through arbitration, the people’s courts shall not accept the case, unless the arbitration agreement is declared invalid.

According to the Arbitration Law and the Civil Procedure Law, an arbitral award has final effect on the parties. If one party fails to comply with the arbitral award, the other party may apply to the people’s court for enforcement. The people’s courts may refuse to enforce an arbitral award made by an arbitration commission if the award contains procedural flaws or defects in the composition of arbitrators as stipulated by law, or if the award exceeds the scope of the arbitration agreement or the jurisdiction of the arbitration commission.

A party seeking to enforce an arbitral award made by a Chinese arbitral tribunal may, if the other party or its property is not located within the territory of China, apply to a foreign court with jurisdiction over the case for enforcement. Similarly, arbitral awards made by foreign arbitral institutions may be recognized and enforced by Chinese courts in accordance with the principle of reciprocity or any international treaty concluded or acceded to by China. Pursuant to a resolution adopted by the SCNPC on 2 December 1986, China acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (《承認及執行外國仲裁裁決公約》) (the “New York Convention (《紐約公約》)”) adopted on 10 June 1958. The New York Convention stipulates that all arbitral awards made in a New York Convention contracting state shall be recognized and enforced by other contracting states, but reserves the right to refuse enforcement under specific circumstances, including where the enforcement of such arbitral award would be contrary to the public policy of the enforcing state. Upon the People’s Republic of China’s accession to the New York Convention, the SCNPC simultaneously declared that: (i) China would only recognize and enforce foreign arbitral awards under the principle of reciprocity; and (ii) China would only apply the New York Convention to disputes considered under Chinese law to arise from contractual and non-contractual commercial legal relationships.

An arrangement was reached between Hong Kong and the Supreme People’s Court regarding the mutual enforcement of arbitral awards. On 18 June 1999, the Supreme People’s Court adopted the Arrangement of the Supreme People’s Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region

APPENDIX IV SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

(《關於內地與香港特別行政區相互執行仲裁裁決的安排》), which entered into force on 1 February 2000, and the Supplementary Arrangement on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《關於內地與香港特別行政區相互執行仲裁裁決的補充安排》), which was promulgated on 26 November 2020. According to the Arrangement and its Supplementary Arrangement, awards made by arbitral institutions in mainland China under the Arbitration Law may be enforced in Hong Kong, and the awards made by arbitral institutions in Hong Kong may be enforced in mainland China.

JUDICIAL JUDGMENTS AND THEIR ENFORCEMENT

According to the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》), promulgated by the Supreme People’s Court on 25 January 2024, and effective on 29 January 2024, any interested party may, in accordance with the Arrangement, apply to the People’s Courts in mainland China or the courts in Hong Kong for recognition and enforcement of effective judgments in civil and commercial cases or civil compensation judgments in criminal cases rendered by courts in mainland China and Hong Kong.