
REGULATORY OVERVIEW

We are subject to a variety of laws, and regulations across a number of aspects of our business. This section sets forth a summary of the most significant laws and regulations that are applicable to our current business activities around the world.

LAWS AND REGULATIONS IN RELATION TO OUR BUSINESS IN INDONESIA

Regulatory Overview

Our business operations in Indonesia are subject to various laws and regulations. As advised by our Indonesian legal adviser, the following overview reflects their views and the underlying legal bases. Please find below an overview of the key laws and regulations relating to our business.

General Business and Foreign Investments in Indonesia

Business and foreign investment in Indonesia are primarily governed by: (i) Law No. 40 of 2007 on Limited Liability Companies, as lastly amended by Law No. 6 of 2023 on Enactment of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation into Law (“**Job Creation Law**”) (the “**Company Law**”), (ii) Law No. 25 of 2007 on Investment as amended by Job Creation Law (“**Investment Law**”), and (iii) PR No. 10/2021.

Pursuant to the Investment Law, any form of foreign investment in Indonesia must be in the form of a limited liability company (*perseroan terbatas*) domiciled within the territory of the Republic of Indonesia. PR No. 10/2021 introduced an investment classification system commonly referred to as the “Positive Investment List”. Under this framework, business sectors are generally open to investment unless they are expressly designated as (i) closed to investment or (ii) reserved for the central government. PR No. 10/2021 further categorizes business sectors into: (i) priority sectors, (ii) sectors allocated to or requiring partnership with cooperatives and Micro, Small, and Medium Enterprises (“**MSMEs**”), (iii) sectors with certain requirements (including, maximum foreign ownership limitations), and (iv) other sectors open to all investors. The business activities of the Indonesian subsidiaries fall into the category of business sectors that are open to all investors, thereby permitting up to 100% (one hundred percent) foreign ownership with no restrictions on the shareholders’ nationality or certain ownership percentages.

Specifically for the Telecommunication Equipment Repair business activity conducted by PT Mobile Bersinar Papua as one of the Indonesian subsidiaries, although the new Positive Investment List under PR No. 10/2021 generally requires the entity conducting such specific business activity to establish partnership with MSMEs, this requirement does not apply to PT Mobile Bersinar Papua. This entity was established and obtained its Business Identification Number (*Nomor Induk Berusaha* — “**NIB**”) in 2020, prior to the enactment of PR No. 10/2021, where the applicable investment regime was PR No. 44 of 2016 on Lists of Business Fields that are Closed to and Business Fields that are Open with Conditions to Investment (“**PR No. 44/2016**”). Under PR No. 44/2016, Telecommunication Equipment Repair business activity was not subject to any MSMEs partnership requirement. Accordingly, based on the grandfathering principle set out in PR No. 10/2021 and prevailing implementation practice under the Online Single Submission (“**OSS**”) system, PT Mobile Bersinar Papua continues to be governed by the investment framework under PR No. 44/2016 and therefore is not currently, and will not be, required to establish partnerships with MSMEs. However, the above provision shall not apply in the event that PT Mobile Bersinar Papua updates its NIB, including, among others, expands its business activities resulting in the addition of new KBLI codes. In such circumstances, PT Mobile Bersinar Papua shall be required to adjust its obligations accordingly, including establishing a partnership with MSMEs in accordance with PR No. 10/2021. Based on the current business plan of PT Mobile Bersinar Papua, no update or amendment to its NIB is expected to be required.

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General Company Licensing

The regulatory framework for risk-based licensing is set out under Government Regulation (“GR”) No. 28 of 2025 on the Organization of Risk-Based Licensing and Minister of Investment and Downstreaming/Head of Investment Coordinating Board Regulation No. 5 of 2025 on Guidelines and Procedures for Implementing Risk-Based Business Licensing and Investment Facilities through the OSS system. Under these regulations, businesses are required to fulfill certain general requirements for business licensing and/or risk-based business licensing in order to conduct their business in the territory of Indonesia, which may consist of an NIB, Standard Certificate, Permit, and/or other supporting licenses as may be applicable depending on the type of business activity. In conducting its business activities, a business actor is required to submit an Investment Activity Report (*Laporan Kegiatan Penanaman Modal* — “**LKPM**”) detailing the progress of investment realization, which must be submitted on a quarterly basis through the OSS system.

Importation Licensing

Pursuant to Minister of Trade (“**MOT**”) Regulation No. 16 of 2025 on Import Policies and Provisions, as lastly amended by MOT Regulation No. 18 of 2026 (“**MOT No. 16/2025**”), importers are required to obtain a valid NIB through the OSS system, which also functions as an Importer Identification Number (*API-Angka Pengenal Importir*). Beyond the NIB, Indonesia’s legal framework utilizes a “Positive List” system, formally known as the Prohibited and Restricted Goods (“**LARTAS**”) framework. Under this system, specific goods — identified by their Indonesian Harmonized System (“**Indonesian HS Code**”) — require additional import licenses before entering the country. These licenses typically include Registered Importer (IT) or Producer Importer (IP) status, Import Approvals (PI), and/or Surveyor Reports (LS). The scope of the Positive List is broad, primarily covering products that impact national security, health, safety, and the environment (K3L), such as electronics and textiles.

While Minister of Finance (“**MOF**”) Regulation No. 26/PMK.010/2022 of 2022 on the Implementation of the Goods Classification System and the Imposition of Import Duty Tariffs on Imported Goods, as lastly amended by MOF Regulation No. 50 of 2026 (“**MOF No. 26/2022**”) provides the official Indonesian HS Code, import restrictions under the LARTAS framework are managed through sector-specific MOT regulations. A primary example is MOT Regulation No. 21 of 2025 on Import Policies and Provisions of Electronic and Telematics Goods, as partially revoked by MOT Regulation No. 47 of 2025, which regulates the importation of electronic and telematics goods. Under this framework, items like Bluetooth speakers and digital video recorders require a Surveyor Report for legal importation.

Trade Restrictions and Customs Compliance

In addition to the import licensing regime described above, Indonesia imposes certain trade restrictions and import controls on specific categories of goods. Under MOT No. 16/2025 and PR No. 61 of 2024 on Commodity Balance, as amended by PR No. 7 of 2025, the LARTAS framework also imposes import quotas that generally apply only to certain strategic commodities requiring specific Import Approvals (“**PI**”), including certain agricultural products, industrial metals, textile products, and hazardous chemicals. Trade quotas under the LARTAS framework are implemented through the stipulation of volume of goods permitted to be imported by the importer in the PI, where such volume is allocated based on the National Commodity Balance. Quotas granted through a PI remains valid until it is fully utilized or their validity period has expired. In the event that a PI is no longer usable, the importer may apply for a new PI to import goods, subject to quota availability and domestic demand under the Commodity Balance, which is determined annually by the relevant government authorities.

Certain products are prohibited from being imported into Indonesia pursuant to MOT Regulation No. 47 of 2025 on Goods Prohibited from Importation, including, among others, sugar, rice, ozone-depleting substances, used clothing, certain hazardous materials and mercury-containing medical devices. Based on our product categories, such import prohibitions are not applicable to us.

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Imported goods must undergo customs clearance procedures in accordance with MOF Regulation No. 190/PMK.04/2022 on Release of Imported Goods for Use. Importers are generally required to submit an Import Declaration (PIB), together with supporting documents such as commercial invoices, packing lists, transport documents and applicable import licenses. Upon completion of customs verification and physical inspection where applicable, as well as payment of applicable customs duties and import taxes, the customs authority will issue a Goods Release Approval Letter (SPPB) authorizing the release of goods from the customs area.

International Trade and Cross-Border Considerations (China-Indonesia)

Trade between Indonesia and the People’s Republic of China is influenced by regional preferential trade agreements, particularly the ASEAN-China Free Trade Area (“**ACFTA**”) and the Regional Comprehensive Economic Partnership (“**RCEP**”), which became effective in Indonesia in 2023. These agreements provide preferential tariff treatment for qualifying goods, subject to compliance with applicable rules of origin and proper origin documentation. The ACFTA provides preferential import duty rates, including reduced rates and, for certain tariff lines, zero-rated import duties depending on product classification under the applicable tariff schedule. The RCEP provides for progressively staged reductions in import duties commencing from 2023 through 2043 across participating member states, including ASEAN countries, the PRC, Japan, South Korea, Australia and New Zealand. Where preferential treatment is successfully claimed, import duties may be reduced or eliminated in accordance with the relevant tariff schedules.

Eligibility for preferential tariff treatment under both the ACFTA and RCEP requires that imported goods be declared via a PIB, including goods released from Bonded Storage Places, Free Zones or Special Economic Zones into the customs area, and that such goods satisfy applicable rules of origin requirements and are supported by valid origin documentation prescribed under the relevant treaty framework. In general, qualifying goods must meet origin criteria such as wholly obtained or produced status, production exclusively from originating materials, or compliance with applicable product-specific rules. Where such requirements are not satisfied, the goods will not be entitled to preferential tariff treatment and will instead be subject to ordinary import duties.

To claim ACFTA preferential import duty treatment, pursuant to MOF Regulation No. 171/PMK.04/2020 on Procedures for the Imposition of Import Duty Rates on Imported Goods under the Trade in Goods Agreement of the Framework Agreement on Comprehensive Economic Cooperation and Certain Agreements between the Association of Southeast Asian Nations and the People’s Republic of China, as partially revoked by MOF Regulation No. 35 of 2023 on Procedures for the Submission of Certificates of Origin and/or Declarations of Origin in Relation to the Imposition of Import Duty Rates for Imported Goods According to International Agreements or Arrangements (“**MOF No. 35/2023**”), goods must comply with ACFTA rules of origin, generally including wholly obtained or produced goods, goods produced exclusively from originating materials, or non-wholly obtained or produced goods meeting a minimum 40% Regional Value Content or applicable Product Specific Rules (“**PSR**”). For RCEP preferential import duty treatment, pursuant to MOF Regulation No. 209/PMK.04/2022 on Procedures for the Imposition of Import Duty Rates on Imported Goods under the Regional Comprehensive Economic Partnership, as partially revoked by MOF No. 35/2023, goods must comply with RCEP rules of origin, generally including wholly obtained or produced goods, goods produced exclusively from originating materials, or goods meeting applicable PSR.

Preferential tariff claims under ACFTA must be supported by valid origin documentation, principally a Certificate of Origin Form E, together with relevant customs documentation, including PIB and applicable import licences. For RCEP, preferential claims must be supported by RCEP origin documentation, including a Certificate of Origin Form RCEP or approved origin declaration, together with relevant customs documentation.

In addition, Indonesia’s broader customs and trade regulatory framework affects import treatment and classification. In the absence of available or claimed preferential tariffs, import duties are determined by the Indonesian HS Code classification of the product under Indonesia’s customs tariff

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book (*Buku Tarif Kepabeanan Indonesia* — BTKI) governed under MOF No. 26/2022. The applicable Indonesian HS Code is the fundamental determinant of both the applicable duty rate and the relevant non-tariff measures, such as import licensing, technical standards, and trade-remedy actions.

Consequently, accurate HS classification and robust origin documentation are essential for customs compliance. Beyond fiscal obligations, imports are subject to the “Positive List” or “LARTAS” framework (as detailed in “Importation Licensing” section above). This framework imposes additional controls-including specific licenses, technical certifications, and sector-specific requirements, stipulated under various MOT regulations and other relevant ministerial regulations.

From a cross-border tax perspective, transactions between Indonesian subsidiaries and related parties in China are subject to Indonesia’s transfer pricing rules, which apply the arm’s length principle under Article 18 (3) of Law No. 7 of 1983 on Income Tax, as lastly amended by Job Creation Law (“**Income Tax Law**”) and its implementing regulations. Generally, the Indonesian transfer pricing framework is governed by MOF Regulation No. 172/PMK.03/2023 on the Implementation of the Arm’s Length Principle in Transactions Affected by Special Relationships. This regulation adopts the principles of Organization for Economic Co-operation and Development (“**OECD**”) Base Erosion and Profit Shifting (“**BEPS**”) Action 13, which sets out standards and guidelines on transfer pricing documentation, including the requirement for qualifying multinational enterprise groups to maintain a Master File, Local File, and Country-by-Country Report. In applying the arm’s length principle, the interpretation of the Indonesian tax authority is aligned with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, which serve as an international reference framework for determining appropriate transfer pricing methods and documentation requirements.

Since Indonesia participates in the OECD Inclusive Framework on BEPS, Indonesia has also implemented the global minimum tax framework under Pillar Two through the issuance of MOF Regulation No. 136 of 2024 on Global Anti-Base Erosion Rules Based on International Agreement (“**MOF No. 136/2024**”). According to Article 2 paragraph (1) of MOF No. 136/2024, the provisions regarding Global Anti-Base Erosion Rules (“**GloBE**”) applies to constituent entities of a Multinational Company (“**MNC**”) Group, if the: (i) MNC Group’s annual gross turnover is at least EUR750,000,000.00 (seven hundred and fifty million Euro) based on the consolidated financial statement of the main parent entity, and (ii) such gross turnover value must be fulfilled in at least 2 (two) of the 4 (four) tax years prior to the tax year for which GloBE is imposed.

During the Track Record Period and up to the Latest Practicable Date, save as disclosed above in relation to the ACFTA and RCEP, there were no other material changes in international trade policies, including tariff regimes, relevant to our business.

Environmental Protection

Environmental protection in Indonesia is primarily governed under GR No. 22 of 2021 on Organization of Environmental Protection and Management (“**GR No. 22/2021**”). Every business and/or activity that has an impact on the environment is required to obtain: (i) Environmental Impact Analysis (“**AMDAL**”); (ii) Environmental Management Efforts and Environmental Monitoring Efforts (“**UKL-UPL**”); or (iii) Statement of Environmental Management and Monitoring Commitment (“**SPPL**”), depending on the environmental risk of each activity and/or business. Based on Article 5 to Article 7 of GR No. 22/2021, should an activity and/or business be deemed as having a significant impact on the environment, the relevant activity and/or business is mandated to obtain AMDAL. In addition, every activity and/or business that does not have a significant impact on the environment and is not included in the mandatory AMDAL criteria, must possess a UKL-UPL. Moreover, the activity and/or business that does not have a significant impact on the environment and is not included in the mandatory UKL-UPL criteria, must possess an SPPL.

Companies operating within designated industrial estates are required to maintain a Detailed Environmental Management and Monitoring Plan (“**Detailed RKL-RPL**”), pursuant to GR No. 22/2021 and Minister of Industry Regulation No. 2 of 2026 (“**MOI Regulation No. 2/2026**”). However, MOI Regulation No. 2/2026 — which became effective on 3 April 2026 — stipulates that companies already

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holding a valid environmental document (such as a UKL-UPL) prior to the regulation’s enactment are exempt from preparing a new Detailed RKL-RPL. Under Article 17 of MOI Regulation No. 2/2026, to qualify for this exemption, a company must submit its existing environmental document to the industrial estate manager for review.

If the estate manager determines that the company’s existing document remains consistent with its actual business activities and aligns with the relevant AMDAL held by the estate manager (Master AMDAL), the existing document shall be deemed equivalent to a Detailed RKL-RPL. Failure to comply with these requirements may result in administrative sanctions under prevailing environmental and business licensing laws.

Given its location within an industrial estate and its possession of a UKL-UPL obtained prior to the enactment of MOI Regulation No. 2/2026, one of the Indonesian subsidiaries (*i.e.*, PT Wook Global Technology) is eligible for the exemption under Article 17 of MOI Regulation No. 2/2026. Under this provision, PT Wook Global Technology could have opted to submit its existing UKL-UPL for review by the industrial estate manager to be deemed equivalent to a Detailed RKL-RPL. However, rather than relying on this exemption, PT Wook Global Technology has elected to proactively apply for a new Detailed RKL-RPL to ensure full alignment with the latest regulatory framework.

Additionally, companies acting as B3 Waste Producers and conducting Hazardous and Toxic Waste (“**B3 Waste**”) management activities are required to submit B3 Waste Reports to the Minister of Environment (“**MOE**”) every 6 (six) months, as stipulated in MOEF Regulation No. 6 of 2021 on Procedures and Requirements for the Management of B3 Waste. The B3 Waste Reports include: (i) B3 Waste Management Report; (ii) B3 Waste Reduction Report; and (iii) B3 Waste Storage Report. Failure to comply may result in administrative sanctions, such as written warning, administrative fines, suspension of license, and/or revocation of license.

Space Utilization and Building Construction

In carrying out space utilization, the Minister of Agrarian and Spatial Planning/Head of the National Land Agency Regulation No. 13 of 2021 on Implementation of Suitability of Space Utilization Activities and Synchronization of Space Utilization Program requires companies to obtain a Suitability of Space Utilization Activities (“**KKPR**”) from the OSS system for each location/space utilized by the company, in the form of: (i) Confirmation on KKPR, or (ii) Approval on KKPR.

As for construction of buildings, the Government Regulation No. 16 of 2021 on Implementing Regulations of Law No. 28 of 2002 on Buildings requires businesses to obtain: (i) Building Approval (formerly known as Building Construction Permit), and (ii) Building Functioning Certificate for each building constructed. For a warehouse building, MOT Regulation No. 90/M-DAG/PER/12/2014 of 2014 on Warehouse Arrangement and Management as amended by MOT Regulation No. 16/M-DAG/PER/3/2016 of 2016 requires any owners to register and obtain a Warehouse Registration Certificate for their warehouse. Failure to comply may result in administrative sanctions, such as written warnings, restrictions on building activities, suspension of permits, closure of the warehouse, and/or administrative fines.

Intellectual Property (“**IP**”)

Indonesia recognizes and provides the protection of IP rights, including Copyright, Trademarks, Patents, and Industrial Designs. The authority responsible for the administration and supervision of IP in Indonesia is the Directorate General of Intellectual Property (“**DGIP**”) of the Minister of Law (“**MOL**”). Specifically for Copyrights management, Indonesia has a Collective Management Organization, a non-profit legal entity authorized by Copyright owners to administer their economic rights, including the collection and distribution of royalties. For ease of reference, the following provides an overview of the aforementioned types of IP.

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Copyright

Copyright is primarily governed under Law No. 28 of 2014 on Copyrights, as amended by Law No. 1 of 2026 on Criminal Adjustment (“**Criminal Adjustment Law**”) and GR No. 16 of 2020 on the Recordation of Works and Related Rights Products. Indonesia applies the ‘first to declare’ principle, meaning that copyrights protection arises automatically once a work is expressed in a tangible form. Registration is not required for protection, although voluntary recordation with the authorities may strengthen evidentiary value and facilitate enforcement. The protection is generally granted for the lifetime of the author plus 70 (seventy) years after the author’s death. However, certain categories of works (*e.g.*, video game) are protected for 50 (fifty) years.

Trademark

Trademark is primarily governed under Law No. 20 of 2016 on Trademarks and Geographical Indications, as amended by Criminal Adjustment Law, and MOL Regulation No. 5 of 2026 on Trademark Registration. Indonesia implements the “first to file” principle on Trademark, meaning that Trademark is protected only upon registration with the MOL. Trademark protection covers signs capable of distinguishing goods and/or services, including images, logos, names, words, letters, numbers, colour compositions, 2 (two) dimensional and/or 3 (three) dimensional shapes, sounds, holograms, or combinations of 2 (two) or more of these elements used in connection with goods and/or services in trade. The protection of Trademark is granted for 10 (ten) years from the filing date and may be renewed for the successive 10-year periods.

Patent

Patent protection is primarily governed under Law No. 13 of 2016 on Patent as lastly amended by Criminal Adjustment Law, as well as MOL Regulation No. 6 of 2026 on Patent Application. To obtain protection, a Patent must first be registered with the MOL. Indonesian laws recognize two types of patent protection, patents and simple patents. A patent is granted for an invention that is new, involves an inventive step, and is capable of industrial application, while a simple patent is granted for a new invention that represents a development or improvement of an existing product or process with practical industrial applicability. Patent protection is granted for a period of 20 (twenty) years for a patent and 10 (ten) years for simple patents, and such periods shall not be extendable.

Industrial Designs

Industrial Designs is primarily governed under Law No. 31 of 2000 on Industrial Design as amended by Criminal Adjustment Law, as well as GR No. 1 of 2005 on the Implementation of Law No. 31 of 2000. To obtain protection, an Industrial Design must first be registered with the MOL. Protection is granted for industrial designs that are new, meaning the design is not similar to any previous disclosures, filings, announcements, or uses. The protection of Industrial Designs is granted for 10 (ten) years, and such periods shall not be extendable.

IP Licensing

IP licensing is regulated under GR No. 36 of 2018 on the Recordation of Intellectual Property License Agreements. Under this regulation, the IP license agreements must be recorded with the MOL in order to have legal effects against third parties. In addition, license agreements must specify: (i) the date and place of execution of the license agreement; (ii) the names and addresses of the licensor and the licensee; (iii) the subject matter of the license agreement; (iv) provisions specifying whether the license is exclusive or non-exclusive, including sub-licensing arrangements; (v) the term of the license agreement; (vi) the territorial scope in which the license applies; and (vii) the party responsible for the payment of annual patent fees, if applicable.

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Employment and Labor Matters

Employment and Social Security

Labor protection in Indonesia is primarily governed by Law No. 13 of 2003 on Manpower, as lastly amended by Job Creation Law and Criminal Adjustment Law (“**Manpower Law**”). Employment relationships may be established under fixed-term employment contracts or permanent employment contracts. The fixed-term contracts may be entered into for a maximum duration of 5 (five) years, including any extensions or renewals. In contrast, permanent contracts have an open-ended duration and may be renewed or extended as needed.

The Manpower Law also requires employers to pay wages that are no less than the applicable minimum wage, as determined under the prevailing regional wage regulations. Failure to comply may result in various sanctions, from administrative sanctions to criminal charges.

Occupational Health and Safety

Law No. 24 of 2011 on the Social Security Organizing Body (“**BPJS**”), as amended by Job Creation Law and Criminal Adjustment Law, mandates all employers in Indonesia to register themselves and their workers in the national social security programs, consist of: (i) Employment BPJS, which covers work accidents, old-age benefits, pension, death benefits, and loss of employment; and (ii) Health BPJS, which provides health insurance coverage. Employers are obliged to pay their BPJS contributions, withhold the employee’s portion, and remit the total contributions to the BPJS monthly.

Workplace safety is generally governed by Law No. 1 of 1970 on Occupational Health and Safety, which covers all workplaces involving the use of machinery and/or any other potentially hazardous tools. Article 87 of the Manpower Law, in conjunction with GR No. 50 of 2012 on Implementation of Occupational Health and Safety Management, requires employers to implement an Occupational Health and Safety Management System if they employ 100 (one hundred) or more employees, or if the nature of their business poses high risk of occupational hazard or accidents. Non-compliance with this requirement may result in administrative sanctions, which includes, warnings, restrictions on business activities, temporary suspension, annulment of approval/registration, temporary termination on a production unit, and/or revocation of a license.

Employment of Foreign Manpower

The employment of foreign workers (*Tenaga Kerja Asing* — “**TKA**”) in Indonesia is governed by the Manpower Law, GR No. 34 of 2021 on the Utilization of Foreign Workers, Minister of Manpower Regulation No. 8 of 2021 on Implementing Regulations of Government Regulation No. 34 of 2021 on Utilization of Foreign Workers, and Law No. 6 of 2011 on Immigration, as lastly amended by Job Creation Law and Criminal Adjustment Law (“**Immigration Law**”). Employers intending to employ foreign manpower are required to obtain a Ratified Foreign Manpower Utilization Plan (*Rencana Penggunaan Tenaga Kerja Asing* — “**RPTKA**”) from the Minister of Manpower, which must specify the position to be held, duration of employment, work location, and the Indonesian counterpart employee designated for knowledge and skill transfer. Certain positions, particularly those relating to personnel or human resources management may not be occupied by foreign workers. Following RPTKA Ratification, the employer is required to pay the Foreign Worker Compensation Fund (*Dana Kompensasi Penggunaan Tenaga Kerja Asing*), generally calculated at USD 100 (one hundred United States Dollars) per month per foreign worker and payable in advance for the approved employment period, subject to limited statutory exemptions. Upon fulfillment of these requirements, the Minister of Manpower issues a notification that serves as the basis for the issuance of a Limited Stay Visa (*Visa Tinggal Terbatas*).

The foreign worker must subsequently obtain a Limited Stay Permit (*Kartu Izin Tinggal Terbatas* — **KITAS**) prior to commencing employment in Indonesia. Employers must ensure compliance with qualification requirements and mandatory knowledge transfer obligations, and foreign workers employed for more than 6 (six) months are generally required to participate in the national social

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security programs. Non-compliance with foreign manpower utilization requirements may result in administrative sanctions, including suspension or revocation of RPTKA Ratification. Violations of the Immigration Law may give rise to several sanctions, including deportation, re-entry bans (blacklisting), and the imposition of repatriation costs, and in certain circumstances may also expose the foreign national and/or responsible parties to criminal liability.

Business Licensing

Wholesale Trading

Wholesale trading, which includes the distributorship activities conducted by the Indonesian subsidiaries, is primarily governed by: (i) GR No. 29 of 2021 on the Organization of Trade Sector, as amended by GR No. 3 of 2026; and (ii) MOT Regulation No. 24 of 2021 on Agreements for the Distribution of Goods by Distributors or Agents. In conducting distributorship activities of goods and/or services in Indonesia, distributors generally do not sell goods directly to end consumers, but must first appoint retailers to handle the distribution. In acting as distributors, Indonesian subsidiaries (as foreign investment companies) must appoint another distributor or agent in the form of domestic investment companies, and such appointment shall be reflected in a distribution agreement legalized by a public notary. Furthermore, the domestic investment distributors or agents are required to obtain a Distributor/Agent Registration Certificate issued by the MOT as legal authorization to distribute goods.

Distribution of Medical Equipment

The distribution of medical devices is regulated under Minister of Health (“**MOH**”) Regulation No. 11 of 2025 on Standards for Business Activities and Products/Services in the Organization of Risk-Based Business Licensing in the Health Subsector and MOH Regulation No. 4 of 2014 on Good Distribution Practices for Medical Devices, as partially revoked by MOH Regulation No. 5 of 2026 on Health Supplies. Before distributing medical devices, a distributor must ensure that it has obtained the required licenses, including NIB, Medical Device Distributor License, Good Distribution Practices for Medical Devices Certificate, and Distribution Permit, issued by the MOH.

Distributors have several periodical and incidental reporting obligations to the MOH, including semi-annual electronic distribution reports, product recall reports, and adverse event reports. Distributors are also required to maintain a vigilance system for reporting serious adverse events and conducting investigations with proper documentation. In the event of a product recall, distributors must halt distribution, notify customers, and isolate affected stock within 2 x 24 (two times twenty-four) hours. Additionally, any counterfeit or non-compliant medical devices must be promptly identified, removed from circulation, reported to MOH, and either returned or destroyed.

Distribution of Telecommunication Equipment

Distribution of Telecommunication Equipment is regulated under Minister of Communication and Digital (“**MOCD**”) Regulation No. 3 of 2024 on Certification of Telecommunication Equipment and/or Telecommunication Devices. All telecommunication equipment manufactured, assembled, or imported for trade or use in Indonesia must comply with Technical Standards, verified through testing per brand, type, and country of manufacture, and evidenced by a certificate issued by the MOCD. Certificate holders must affix a label on each device and its packaging, displaying the certificate number, Customer Identity, QR code, and a warning symbol, and report proof of label production within 30 (thirty) days. Non-compliance may lead to sanctions including fines, equipment seizure, certificate revocation, product withdrawal, or service suspension.

Distribution of Cosmetics

The distribution of cosmetics involves several government institutions, such as the MOH, Indonesian Food and Drug Authority (*Badan Pengawas Obat dan Makanan* — “**BPOM**”), and MOT. The regulations regarding the distribution of cosmetics include: (i) MOT Regulation No. 23 of 2025 on Import Policy and Provisions for Consumer Goods; (ii) BPOM Regulation No. 12 of 2023 on

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Supervision of the Manufacture and Circulation of Cosmetics, as partially revoked by BPOM Regulation No. 18 of 2024 on Cosmetic Labeling, Promotion, and Advertising; and (iii) BPOM Regulation No. 27 of 2022 on Supervision of Imports of Food and Drugs into Indonesian Territory as amended by BPOM Regulation No. 28 of 2023. To distribute cosmetic products in Indonesia, distributors must obtain a Distribution Permit (*Izin Edar*) in the form of cosmetic notification issued by the BPOM and secure a Surveyor Report from a surveyor.

To distribute cosmetics in Indonesia, business actors must comply with several obligations, covering labelling or marking, advertising, product claims, safety documentation, halal certification, and reporting. Additionally, distributors must submit periodic reports to BPOM on production, import, and distribution activities. Failure to comply with any of these obligations may result in administrative sanctions, including warnings, distribution bans, product withdrawal or destruction, license revocation, or online access suspension.

Personal Data Protection

Indonesian law on data protection, including personal data processing, is governed under Law No. 27 of 2022 on Personal Data Protection as amended by Criminal Adjustment Law (“**PDP Law**”). The PDP Law classifies personal data into 2 (two) categories: (i) General Personal Data, which includes, among others, an individual’s full name, gender, nationality, religion, marital status, and any personal data that, when combined, can be used to identify a person; and (ii) Specific Personal Data, which refers to any personal data that, due to its nature, may result in greater impacts on the Personal Data Subject if processed, such as fingerprint or genetic information, personal financial information, health records, and criminal records.

The PDP Law recognizes 3 (three) parties involved in personal data processing, namely: (i) the Personal Data Subject, as the owner of the personal data, (ii) the Personal Data Controller, which determines the purposes of and exercises control over the processing of personal data, and (iii) the Personal Data Processor, which processes personal data on behalf of the Personal Data Controller. Given their position as the owner of personal data, Personal Data Subjects are granted with the highest discretion and ultimate control over the use and processing of their data, including accessing, correcting, deleting data, and withdrawing consent.

In general, there is no periodical filing requirement for the Personal Data Controllers and Personal Data Processors set under the PDP Law. However, companies acting as Personal Data Controllers and Personal Data Processors are subject to a number of obligations, including the following:

- a. have a lawful basis for processing personal data, including, obtaining a prior written consent from the data owner;
- b. address Personal Data Subject requests after receipt of the request;
- c. maintain the security and confidentiality of personal data through establishing technical and operational measures to protect personal data;
- d. establish governance for personal data processing activities, including verifying the relevance, completeness, and accuracy of personal data;
- e. appoint a Data Protection Officer if personal data are processed for (i) public service purposes, (ii) involve structured and systematic monitoring, and/or (iii) involve large-scale processing of specific or crime-related personal data;
- f. notify the affected Personal Data Subject and the MOCD within 72 (seventy-two) hours if a personal data breach occurs; and
- g. terminate, delete, or destroy personal data upon request of the Personal Data Subject.

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In conducting cross-border data transfers, the Personal Data Controller must also ensure that (i) the country receiving transfers provides a Personal Data protection level equal to or higher than PDP Law; (ii) there is adequate and binding Personal Data protection; or (iii) obtain the consent of the Personal Data Subject. Non-compliance may result in administrative sanctions, including fines of up to 2% (two percent) of Personal Data Controller’s annual revenue.

Organization of Electronic System Providers

GR No. 71 of 2019 on the Implementation of Electronic Systems and Transactions establishes the core legal framework governing Electronic System Providers (“ESP”) in Indonesia, covering both Public-scope ESPs operated by government bodies and Private-scope ESPs operated by private entities, which include foreign digital service providers targeting Indonesian users. To operate legally in Indonesia, Private-scope ESPs are required to register their electronic system with the MOCD via the OSS system and obtain an ESP Registration Certificate (*Tanda Daftar Penyelenggara Sistem Elektronik* — “TDPSE”) as proof of registration before commencing operations. In operating their systems, ESPs have several regulatory obligations, including protecting the personal data, maintaining audit trails, providing user education, and ensuring that their systems are secure, reliable, and responsibly managed.

Furthermore, the obligations of private-scope ESPs are also regulated under the MOCD Regulation No. 5 of 2020 on Private Electronic System Operators as amended by MOCD Regulation No. 10 of 2021. Under this regulation, Private-scope ESPs must update the MOCD on any changes to certain information, such as company name, domain, and service offered. Private-scope ESPs must also ensure that their system does not contain or facilitate the dissemination of electronic information and/or electronic documents as may be prohibited under the prevailing laws, such as, pornography, gambling, defamation, hate speech, and terrorism-related content. Non-compliance may result in administrative sanctions such as warnings, suspensions, or access blocking.

Social Media Platforms

In addition to complying with the provisions governing the operation of ESPs, social media platforms are required to comply with the provisions stipulated under MOT Regulation No. 31 of 2023 on Business Licensing, Advertising, Development, and Supervision of Business Actors in Trading through Electronic Systems, as revoked and replaced by MOT Regulation No. 19 of 2026 on the Implementation of Trade Through Electronic Systems Businesses (“**MOT Regulations on Trade Through Electronic Systems**”). Under this regulation, social media platforms may be categorized as Social Commerce. In general, Social Commerce refers to social media providers that provide facilities enabling merchants to display or offer goods and/or services.

One of the obligations that must be complied with by Social Commerce is the prohibition on facilitating payment transactions within their electronic systems. Accordingly, social media platforms may only provide facilities for promotions of goods and/or services without conducting any transaction activities within the platform. Non-compliance with this provision will be subject to administrative sanctions imposed by the MOT, which include written warning, inclusion in the priority supervision list, inclusion in the blacklist, temporary blocking of the services by the relevant competent authority, and/or revocation of the business license.

The regulatory framework governing electronic offerings in Indonesia, which is also applicable to merchants trading through social media platforms operating as social commerce, generally regulates the offering, display and promotion of goods and/or services conducted through electronic systems, including livestreaming activities and marketing collaborations with KOLs, and sets out the applicable requirements governing such promotional and trading-related activities carried out in an electronic environment. In addition to the MOT Regulations on Trade Through Electronic Systems, electronic offerings are also governed under, among others: (i) Law No. 8 of 1999 on Consumer Protection, as amended by Criminal Adjustment Law; (ii) Law No. 11 of 2008 on Electronic Information and Transactions, as lastly amended by Criminal Adjustment Law; and (iii) Government Regulation No. 80 of 2019 on Trade Through Electronic Systems (“**GR No. 80/2019**”). Under the foregoing legal framework, business actors conducting electronic offerings are required to ensure that consumers are

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provided with accurate, clear, and truthful information in respect of the goods and/or services being offered, including, among others: (i) specifications and pricing of the relevant goods and/or services; (ii) applicable payment mechanisms and settlement arrangements; (iii) delivery methods and fulfillment processes; and (iv) any potential risks, limitations, or unforeseen conditions associated with the relevant goods and/or services. In addition, business actors are prohibited from engaging in any form of advertising, promotion, representation, or dissemination of information that is false, misleading, deceptive, inaccurate, or otherwise inconsistent with applicable laws and regulations.

Trade through Electronic Systems

Trade through Electronic Systems (“**TES**”) is governed by GR No. 80/2019 and MOT Regulations on Trade Through Electronic Systems. TES involves various business practitioners including Merchants, Organizers of Trade through Electronic Systems (“**TES Organizers**”), and Intermediary Service Providers. Prior to engaging in TES, TES Organizers must obtain NIB, Electronic System Trading Business License (*Surat Izin Usaha Perdagangan Melalui Sistem Elektronik* — SIUPMSE), and TDPSE for their Electronic System — as TES Organizers are considered as ESPs. TES Organizers have several key obligations, including maintaining data security, personal data protection, consumer complaint handling, transaction data retention, supporting domestic trade promotion, and providing consumer-friendly mechanisms. Additionally, TES Organizers are required to submit quarterly reports on their operational and financial metrics to Statistics Indonesia (*Badan Pusat Statistik* — BPS), where such report shall include information on the TES Organizer’s employees, revenue and expenditure, product and regional categories, transactions, payment methods, and number of sellers and buyers. Non-compliance with the above obligations may lead to administrative sanctions, including service blocking or license revocation.

Whereby Merchants merely conduct TES without operating the underlying Electronic System, as in the case of two of the Indonesian Subsidiaries (i.e., PT Wookfun Global Technology and PT Win Ecommerce International), such Merchants are exempted from the above requirements. The foregoing obligations may only apply to Merchants, provided they simultaneously operate their own Electronic System, as applicable to PT Wook Global Technology.

Freight Forwarding Services

The regulation of Freight Forwarding Services is governed by Minister of Transportation (“**MOTR**”) Regulation No. 1 of 2026 on Standards for Business Activities and/or Product/Service Standards in the Implementation of Risk-Based Business Licensing in the Transportation Sector. To conduct business activities in Freight Forwarding Services, a business actor is required to obtain a NIB and a Standard Certificate as issued by the MOTR. In carrying out its activities, a freight forwarding service is also required to submit business activity reports to the relevant transportation authorities, depending on the location of operations and the mode of transportation.

Taxation Registration

Taxation is mainly regulated under Law No. 6 of 1983 on General Provisions on Taxation, as lastly amended by Job Creation Law and Criminal Adjustment Law. Any individual or entity that meets the subjective and objective tax criteria is deemed a “Taxpayer” and is required to register with the Indonesian Tax Office to obtain the Taxpayer Identification Number (*Nomor Pokok Wajib Pajak*).

Corporate Income Tax

Corporate income tax is governed by Income Tax Law. A foreign company carrying out business activities through a permanent establishment in Indonesia is generally subject to the same tax obligations as a resident taxpayer. Taxable income includes any increase in economic capacity, whether derived from sources within or outside Indonesia. The general corporate income tax rate is 22% (twenty-two percent) of taxable income, which applies to entities that do not meet the criteria for preferential tax treatment (e.g., listed companies in Indonesia or small and medium enterprises).

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Value-Added Tax (“VAT”)

Based on Law No. 8 of 1983 on the VAT of Goods and Services and Sales on Luxurious Goods as lastly amended by Job Creation Law, businesses exceeding IDR4,800,000,000.00 in gross revenue within one financial year are required to register as a Taxable Person (*Pengusaha Kena Pajak*) and obtain a Confirmation Letter of Taxable Entrepreneur (*Surat Pengukuhan Pengusaha Kena Pajak*). Unless the goods and services are classified as luxury goods, the general prevailing VAT rate is 11% (eleven percent).

Withholding Tax

Withholding tax in Indonesia is a direct income tax collection mechanism by a third party. Common withholding tax articles include, Article 21 (income from employment/services), Article 22 (import activities/sale of goods by certain business entities), Article 23 (dividends, interest, royalties, and other services for domestic entities), Article 26 (income received by foreign taxpayers from Indonesian sources), and Article 4 paragraph (2) (final tax on specific income). Indonesia and Hong Kong have entered into a Tax Treaty on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income. This treaty allocates taxing rights between the two jurisdictions and sets limitations on the amount of tax that may be imposed by each country, such as, reducing the withholding tax rate on dividends to 10% (ten percent).

Foreign Exchange

There is no exchange control restriction in Indonesia. Bank Indonesia (“BI”) Regulation No. 17/3/PBI/2015 on the Mandatory Use of Rupiah in the Territory of the Republic of Indonesia mandates the use of Indonesian Rupiah (IDR) for all transactions within Indonesian territory. This requirement applies to transactions involving payments, settlement of monetary obligations, and other financial service transactions. Exemptions from this requirement are available in limited circumstances, including: (i) the receipt or provision of revenues and/or grants from or to overseas parties; (ii) international trade; (iii) deposits held in foreign currency accounts; and (iv) international financial transactions.

The Investment Law also extends these exemptions to foreign investors in respect of fund transfers and repatriation in foreign currency. Permitted transfers include capital contributions, profits, dividends, loan repayments, royalties, income of foreign employees, proceeds from sales or liquidation, additional funds for investment financing, and sales of assets. Accordingly, any dividends and other distributions declared and payable on the share capital of a company in Indonesia must be paid in Rupiah, although such amounts may subsequently be converted into the appropriate foreign currency and freely transferred out of Indonesia. However, the BI Regulation No. 21/15/PBI/2019 of 2019 on the Monitoring of Foreign Exchange Traffic Activities of Banks and Customers Funds requires any company conducting fund transfers exceeding USD100,000 (or its equivalent) to carry out the transfer through an authorized Indonesian bank, and such bank shall have the obligation to report the transaction to BI.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THE PRC

Regulations on Corporation

On December 29, 1993, the Standing Committee of the National People’s Congress of the PRC (the “SCNPC”) issued the PRC Company Law (《中華人民共和國公司法》) (the “**Company Law**”), which was last amended on December 29, 2023 and implemented on July 1, 2024. All companies established in the PRC are subject to the Company Law. The Company Law regulates the establishment, operation, corporate structure, and management of corporate entities in China and classifies companies into limited liability companies and limited companies by shares.

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Regulations on Exportation of Goods

Pursuant to the *Foreign Trade Law of the PRC* (《中華人民共和國對外貿易法》) which was promulgated by the SCNPC on May 12, 1994 and implemented on July 1, 1994, and subsequently revised on April 6, 2004, November 7, 2016, and December 30, 2022, foreign traders engaging in import and export of goods or technology shall submit documents and material related to its foreign trade activities to the relevant departments in accordance with the provisions of the foreign trade department of the State Council or other relevant State Council departments in accordance with the law.

Pursuant 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 and amended on July 8, 2000, June 29, 2013, December 28, 2013, November 7, 2016, November 4, 2017 and April 29, 2021, unless otherwise stipulated, the declaration of import and export goods may be made by consignees and consignors themselves, and such formalities may also be completed by their entrusted customs brokers that have registered with the Customs. The consignees and consignors for import or export of goods and the customs brokers engaged in customs declaration shall file for record with the Customs in accordance with the laws.

Pursuant to the *Administrative Provisions of the Customs of the PRC on the Filing of Customs Declaration Entities* (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs on November 19, 2021 and taking effect from January 1, 2022, the consignees and consignors for imported or exported goods and the customs brokers engaged in customs declarations shall undergo recordation formalities at the relevant administration department of customs in accordance with the laws.

Regulations on Foreign Investment

In March 15, 2019, the National People’s Congress promulgated the PRC Foreign Investment Law (《中華人民共和國外商投資法》) (the “**2019 PRC Foreign Investment Law**”). Upon taking effect on January 1, 2020, the 2019 PRC Foreign Investment Law replaced the Sino-Foreign Equity Joint Venture Enterprise Law (《中華人民共和國中外合資經營企業法》), the Sino-Foreign Cooperative Joint Venture Enterprise Law (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-Owned Enterprises Law (《中華人民共和國外資企業法》) to become the legal foundation for foreign investment in the PRC.

Pursuant to the 2019 PRC Foreign Investment Law, “foreign investments” refer to investment activities conducted by foreign investors directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors, (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC, (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors, and (iv) investment of other methods as specified in laws, administrative regulations, or as stipulated by the State Council.

On December 26, 2019, the State Council issued the *Regulations on Implementing the Foreign Investment Law of the PRC* (《中華人民共和國外商投資法實施條例》), which came into effect on January 1, 2020 and replaced the *Regulations on Implementing the Sino-Foreign Equity Joint Venture Enterprise Law* (《中華人民共和國中外合資經營企業法實施條例》), *Provisional Regulations on the Duration of Sino-Foreign Equity Joint Venture Enterprise Law* (《中外合資經營企業合營期限暫行規定》), the *Regulations on Implementing the Wholly Foreign-Owned Enterprise Law* (《中華人民共和國外資企業法實施細則》) and the *Regulations on Implementing the Sino-Foreign Cooperative Joint Venture Enterprise Law* (《中華人民共和國中外合作經營企業法實施細則》).

On September 6, 2024, the NDRC and the MOFCOM jointly revised and issued the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**Negative List**”), which will be implemented from November 1, 2024, replacing the previous Negative List. If a domestic company engaging in business prohibited in the Negative List offers shares and lists in an overseas market, such offering and listing

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shall be approved by relevant competent PRC authorities. Non-PRC investors must not participate in the operation and management of the company, and their shareholding percentage shall be subject to relevant provisions on the administration of domestic securities investment by Non-PRC investors.

According to the Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and the MOFCOM on December 19, 2020 and became effective on January 18, 2021, any foreign investment that has or possibly has an impact on state security shall be subject to security review in accordance with the provisions hereof. A foreign investor or a party concerned in China shall take the initiative to make a declaration to the working mechanism office prior to making the investment in any important infrastructure, important transportation services and other important fields that concern state security while obtaining the actual control over the enterprises invested in.

Regulations On Outbound Investment

Pursuant to the Administrative Measures for Outbound Investment (2014) (《境外投資管理辦法(2014)》) promulgated by the MOFCOM on September 6, 2014 and implemented on October 6, 2014, the MOFCOM and provincial competent commerce departments shall carry out administration either by record-filing or by verification and approval depending on different circumstances of outbound investment by enterprises. Outbound investment by enterprises that involves sensitive countries and regions or sensitive industries shall be subject to administration by verification and approval. Outbound investment that falls under any other circumstances shall be subject to administration by record-filing.

Pursuant to the Administrative Measures for Outbound Investment by Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017 and effective from March 1, 2018, a domestic enterprise (the “**Investor**”) in the PRC making an outbound investment shall go through verification and approval or record-filing or other procedures applicable to outbound investment projects (the “**Projects**”), report relevant information, and cooperate with the supervision and inspection. Sensitive Projects carried out by the Investor directly or through overseas enterprises controlled by them shall be subject to the management of verification and approval; non-sensitive Projects directly carried out by the Investor, namely, non-sensitive projects involving the Investor’s direct contribution of assets or rights and interests or provision of financing or security, shall be subject to the management of record-filing.

Pursuant to the Provision of the State Council on Outbound Investment (《國務院關於對外投資的規定》) (the “**Provisions**”) promulgated by the State Council on May 5, 2026 and becoming effective from July 1, 2026, the Provisions strengthen supervision over outbound investment, guiding and supervising investors to standardize their investment and business operations. The Provisions also prohibit any illegal cross-border transfer of goods, technologies, services and data that are prohibited or restricted from export, and clarify the compliance obligations including filing, information reporting and cross-border fund management for outbound investment activities.

Regulations On Product Quality

The Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the “**Product Quality Law**”) promulgated by SCNPC which was latest amended on December 29, 2018, applies to all production and sale activities in the PRC. Pursuant to the Product Quality Law, products offered for sale must satisfy relevant quality and safety standards. Enterprises may not produce or sell counterfeit products in any fashion, including forging brand labels or giving false information regarding a product’s manufacturer. Violations of state or industrial standards for health and safety and any other related violations may result in civil liabilities and administrative penalties, such as compensation for damages, fines, suspension or shutdown of business, as well as confiscation of products illegally produced and sold and the proceeds from such sales. Severe violations may subject the responsible individual or enterprise to criminal liabilities. Where a defective product causes physical injury or damage to property, the victim may claim compensation from the manufacturer or the seller of the product. If the

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seller pays compensation and it is the manufacturer that should bear the liability, the seller has a right of recourse against the manufacturer. Similarly, if the manufacturer pays compensation and it is the seller that should bear the liability, the manufacturer has a right of recourse against the seller.

Regulations on Foreign Currency Exchange

The principal administrative regulation governing foreign currency exchange in the PRC is the Regulations of the People’s Republic of China on Foreign Exchange Administration (《中華人民共和國外匯管理條例》) (the “**Regulations on Foreign Exchange Administration**”) promulgated by the State Council on January 29, 1996, effective on April 1, 1996 and amended on January 14, 1997 and August 5, 2008, respectively. Under the Regulations on Foreign Exchange Administration, the State does not restrict the international payment and transfer for current account items, including the goods, services, gains and recurring transaction items in the balance of payment, but not for capital account items, such as direct investments, loans, capital transfer and investments in securities, unless prior approval of the State Administration of Foreign Exchange (the “SAFE”) is obtained and prior registration with the SAFE is made.

On June 15, 2016, SAFE issued the Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《關於改革和規範資本項目結匯管理政策的通知》) (“**Circular 16**”), which took effect on the same day. Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding Renminbi obtained from foreign exchange settlement is not restricted from being used to extend loans to related parties or repay the inter-company loans (including advances by third parties).

Pursuant to the Notice on Issues Concerning Fund Management for Overseas Listing of Domestic Enterprises (關於境內企業境外上市資金管理有關問題的通知) promulgated by the People’s Bank of China and the State Administration of Foreign Exchange on December 24, 2025 and implemented on April 1, 2026, domestic enterprises which will be listed overseas shall apply to a bank within the provincial or planned-city jurisdiction of their registered location to complete the overseas listing registration within 30 working days from the first trading day of the overseas listing or upon completion of the over-allotment. At the same time, the regulations set out corresponding provisions regarding fund management matters.

Regulations on Cyber Security, Data Security and Personal Information Protection

In recent years, PRC government authorities have enacted laws and regulations on internet use to protect personal information from any unauthorized disclosure.

On June 10, 2021, the SCNPC promulgated the Data Security Law of PRC (《中華人民共和國數據安全法》) (the “**Data Security Law**”) which became effective on September 1, 2021. The Data Security Law mainly sets forth specific provisions regarding establishing basic systems for data security management, including hierarchical data classification management system, risk assessment system, monitoring and early warning system, and emergency disposal system.

On March 22, 2024, the CAC issued the Provisions on Promoting and Regulating Cross-border Data Flow (《促進和規範數據跨境流動規定》) (the “**CBDF Provisions**”). In accordance with the Measures for the Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》) implemented on September 1, 2022, the Measures for the Standard Contract for the Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》) implemented on June 1, 2023, the Announcement regarding the Implementation of Personal Information Protection Certification (《關於實施個人信息保護認證的公告》) implemented on November 4, 2022, and the CBDF Provisions, data processors transferring data overseas are required to comply with the corresponding data cross-border transfer supervision procedures as stipulated by relevant laws and regulations, except for those meeting exemption conditions.

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The Cybersecurity Review Measures (《網絡安全審查辦法》), promulgated by CAC and other related authorities and last amended on December 28, 2021 and was effective on February 15, 2022, proposes the following key matters: (i) Internet platform operators that are engaged in data processing activities which have or may have an implication on national security shall undergo a cybersecurity review; (ii) the CSRC is one of the regulatory authorities for purposes of jointly establishing the state cybersecurity review mechanism; (iii) Internet platform operators that hold personal information of more than one million users and seek to list abroad (“國外上市”) shall file for a cybersecurity review with the Cybersecurity Review Office; and (iv) the risks of core data, material data or large amounts of personal information being stolen, leaked, destroyed, damaged, illegally used or transmitted to overseas parties, and the risks of critical information infrastructure, core data, material data or large amounts of personal information being influenced, controlled or used maliciously shall be collectively taken into consideration during the cybersecurity review process.

Furthermore, on September 24, 2024, the State Council released the Network Data Regulation (《網絡數據安全管理條例》), which came into force on January 1, 2025. The Network Data Regulation 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, Data Security Law, and Personal Information Protection Law. The Network Data Regulation 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.

Regulations on Taxation

The PRC Enterprise Income Tax

The Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the “**EIT Law**”) which was last amended on December 29, 2018 and the Implementing Rules 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》) (collectively with the EIT Law, the “**PRC EIT Laws**”) which was amended on December 6, 2024, took effect on January 20, 2025, apply a uniform 25% enterprise income tax rate to both foreign-invested enterprises and domestic enterprises, except where tax incentives are granted to special industries and projects. Enterprises qualifying as “High and New Technology Enterprises” are entitled to a 15% enterprise income tax rate.

Under the PRC EIT Laws, an enterprise established outside China with a “de facto management body” within China is considered a “resident enterprise,” which means it can be treated as a domestic enterprise for enterprise income tax purposes. A non-resident enterprise that does not have an establishment or place of business in China, or has an establishment or place of business in China but the income of which has no actual relationship with such establishment or place of business, shall pay enterprise income tax on its income deriving from inside China at the reduced rate of enterprise income tax of 10%. Dividends generated after January 1, 2008 and payable by a foreign-invested enterprise in China to its foreign enterprise investors are subject to a 10% withholding tax, unless any such foreign investor’s jurisdiction of incorporation has a tax treaty with China that provides for a preferential withholding arrangement.

In addition, the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies (《國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》), or Circular 82, specifies that certain Chinese-controlled offshore incorporated enterprises, defined as enterprises incorporated under the laws of foreign countries or territories and that have PRC enterprises or enterprise groups as their primary controlling shareholders, will be classified as resident enterprises if all of the following conditions are met: (i) senior management personnel and departments that are responsible for daily production, operation and management are located mainly within China; (ii) financial and personnel decisions are subject to determination or approval by bodies or persons in

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China; (iii) key properties, accounting books, company seal and minutes of board meetings and shareholders’ meetings are located or kept within China; and (iv) at least half of the directors with voting rights or senior management reside within China.

Transfer Pricing

According to the New Enterprise Income Tax Law and its implement rules and the Law of the PRC on the Administration of Tax Collection (中華人民共和國稅收徵收管理法), related party transactions should comply with the arm’s length principle.

According to the Announcement of the State Administration of Taxation (SAT) on Relevant Matters relating to Improvement of the Filing of Related Party Transactions and the Management of Contemporaneous Documentation (the “Circular 42”) promulgated by the SAT on June 29, 2016 and taking effect on the same day, enterprises which have related party transactions shall prepare their contemporaneous documentation of related party transactions per tax year and submit it to the tax authority if required by the same.

VAT and Business Tax

According to the Interim Regulations of the People’s Republic of China on Value-added Tax (effective from November 19, 2017); the Detailed Regulations on the Implementation of the Interim Regulations of the People’s Republic of China on Value-added Tax (effective from November 1, 2011); the Announcement of the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs on Policies Related to Deepening VAT Reforms (effective from April 1, 2018); and the Announcement on Policies Concerning the Deepening of Value-Added Tax Reform (effective from April 1, 2019), enterprises and individuals engaged in the sale of goods, provision of processing, repair, and replacement services, sale of services, intangible assets, real estate, and importation of goods within the territory of China shall pay value-added tax, and the value-added tax rates have been further revised to 6%, 9% or 13%.

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Policies of Value-Added Tax and Consumption Tax for Exported Goods and Services (《財政部國家稅務總局關於出口貨物勞務增值稅和消費稅政策的通知》), promulgated on May 25, 2012 and amended on December 9, 2014 and January 20, 2020, unless otherwise provided by law, exported goods and services are subject to VAT refund policies. According to the amendments to the PRC VAT tax refund policies in 2014 (Cai Shui [2014] No. 98), if 80% or more of raw material costs of the goods exported by export enterprises and other entities involve the raw materials listed in the Appendix hereto, the value-added tax (“VAT”) and consumption tax policies applicable to the raw material whose cost accounts for the highest percentage shall be adopted. According to the amendments to the PRC VAT tax refund policies in 2020 (Announcement of the Ministry of Finance and the State Taxation Administration [2020] No. 2), if a taxpayer fails to apply for export tax rebate (or exemption) or issue the “Proof of Agency Export of Goods” within the prescribed time period for exported goods, services or cross-border taxable activities, the taxpayer may apply for export tax rebate (or exemption) after collecting all required tax rebate (or exemption) vouchers and related electronic information. If the taxpayer fails to collect foreign exchange or go through the procedures for non-collection of foreign exchange within the prescribed time period, the taxpayer may apply for tax rebate (or exemption) after collecting the foreign exchange or completing the said procedures.

On December 25, 2024, the SCNPC promulgated the VAT Law of the PRC (《中華人民共和國增值稅法》), which will come into effect on January 1, 2026, and replace the Interim Regulations of the People’s Republic of China.

Under the VAT Law, the VAT rate, for selling goods, providing processing, repair and replacement services and tangible movables leasing services or importing goods will be 13%, for selling transport services, postal services, basic telecommunications, buildings, real property, or real property leasing

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services, transferring land use rights, or selling or importing certain goods specified in the VAT Law will be 9%, for selling services or intangible assets will be 6%, and for exporting goods will be 0%, and the levy rate of VAT to which the simple tax computation method applies is 3%.

Dividends Distribution

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) which was most recently amended by the SCNPC on August 31, 2018 and came into effect on January 1, 2019, and the Implementation Regulations for the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》) which was most recently amended by the State Council on December 18, 2018 and came into effect on January 1, 2019, dividends distributed by PRC enterprises are subject to individual income tax levied at a flat rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaty.

The EIT Law and the Implementation Regulation for the EIT Law provides that since January 1, 2008, an enterprise income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident investors which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC, unless any such non-PRC resident investors’ jurisdiction of incorporation has a tax treaty with China that provides for a preferential withholding arrangement.

Regulations on Labor, Social Insurance and Housing Accumulation Funds

Labor Law and Labor Contracts

Pursuant to the PRC Labor Law (《中華人民共和國勞動法》), which was most recently amended on December 29, 2018, and the PRC Labor Contract Law (《中華人民共和國勞動合同法》) (the “**Labor Contract Law**”), which was most recently amended on July 1, 2012, employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Violations of the Labor Contract Law and the PRC Labor Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations. In addition, the Labor Contract Law also imposes requirements on the use of employees of temp agencies, who are known in China as “dispatched workers”. Dispatched workers are entitled to equal pay with full-time employees for equal work. Employers are only allowed to use dispatched workers for temporary, auxiliary or substitutive positions.

Social Insurance and Housing Accumulation Funds

According to the Social Insurance Law of the People’s Republic of China (effective from December 29, 2018), and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (effective from March 24, 2019), a social insurance system consisting of a basic old-age insurance, basic medical insurance, work injury insurance, unemployment insurance, and maternity insurance has been established. According to the Regulations on the Management of Housing Provident Fund (effective from March 24, 2019), an employer shall go to the housing provident fund management center to undertake registration of payment and deposit of the housing provident fund and go through the formalities of opening housing provident fund accounts on behalf of its staff.

According to the Interpretation (II) of the Supreme People’s Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (effective from September 1, 2025), any agreement between an employer and an employee — or any undertaking by an employee to the employer — to waive social-insurance contributions shall be deemed invalid by the people’s courts. If an employer fails to pay social-insurance premiums in accordance with the laws and the employee seeks to rescind the labor contract under Article 38 of the Labor Contract Law and claim economic compensation, the people’s courts shall uphold the claim.

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Regulations on Leasing

According to the Law of the People’s Republic of China on the Administration of the Urban Real Estate (effective from January 1, 2020), in the leasing of a house, the leaser and the lessee shall conclude a written lease contract defining such matters as the term, purpose and price of the lease, liability for repair, as well as other rights and obligations of both parties, and shall register the leasing with the department of housing administration for the record.

Regulations on Intellectual Property

The PRC has adopted comprehensive legislation governing IP rights, including copyrights, patents, trademarks and domain names.

Copyright

Copyright in the PRC, including copyrighted computer software, is principally protected under the Copyright Law of the PRC (《中華人民共和國著作權法》) (the “**Copyright Law**”), which was most recently amended in November 11, 2020 and became effective on June 1, 2021, and its implementation rules. According to the Copyright Law, the term of protection for copyrighted computer software shall be 50 years. Reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein, unless otherwise provided in the Copyright Law, shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, undertake to cease the infringement, take remedial action, and offer an apology and pay damages.

Patent

According to the Patent Law of the People’s Republic of China (effective from June 1, 2021), and the Implementing Regulations of the Patent Law of the People’s Republic of China (effective from January 20, 2024), patents are divided into 3 categories. The validity period of patents for inventions is 20 years, while the validity period of patents for utility models is 10 years, and the validity period of patents for designs is 15 years, all starting from the date of application.

Trademark

According to the Trademark Law of the People’s Republic of China (effective from November 1, 2019), trademark registrants shall enjoy the right to exclusive use of their trademarks and shall be protected by law. The validity period of a registered trademark is 10 years, calculated from the date of approval for registration.

Domain Name

According to the Measures for the Administration of Internet Domain Names (effective from November 1, 2017), the MIIT shall be responsible for managing internet domain name in the PRC. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

Regulations on Securities and Overseas Listing

Laws and Regulations on Securities

According to the Securities Law of the People’s Republic of China (effective from March 1, 2020, the “**Securities Law**”), domestic enterprises that directly or indirectly issue securities overseas or list their securities overseas shall comply with the relevant provisions of the State Council. For domestic companies whose shares are subscribed for and traded in foreign currencies, specific measures shall be separately stipulated by the State Council. The CSRC is a securities regulatory institution established by the State Council, responsible for supervising and managing the securities market in accordance with

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the law, maintaining market order, and ensuring the lawful operation of the market. Currently, the overseas issuance of securities and listing of enterprises within the territory of China are mainly regulated by regulations and normative documents promulgated by the State Council and the CSRC.

Filing for Overseas Listings

According to the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises (effective from March 31, 2023) and supporting guidelines (the Trial Measures for Overseas Listing) as well as the Notice on the Arrangement for the Administration of Overseas Listing Filing by Domestic Enterprises (effective from February 17, 2023), domestic enterprises that directly or indirectly issue securities overseas or list their securities for trading overseas must file with the CSRC within three working days after submitting listing application documents to the relevant regulatory authorities of the intended listing venue. Enterprises that fail to complete the filing in accordance with the overseas listing regulations or conceal any material facts or fabricate any material false content in the filing documents may be subject to administrative penalties such as orders to make corrections, warnings and fines. Their controlling shareholders, actual controllers, directly responsible supervisors, and other directly responsible personnel may also be subject to administrative penalties such as warnings and fines.

According to the Provisions on Strengthening the Confidentiality and Archive Management Related to Overseas Issuance of Securities and Listing by Domestic Enterprises (effective from March 31, 2023), domestic enterprises shall establish confidentiality and archive systems when issuing and listing securities in overseas markets.