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SUMMARY OF PRINCIPAL LEGAL AND REGULATORY PROVISIONS

PRC LEGAL SYSTEM

The PRC legal system consists of the Constitution, laws, administrative regulations, local laws and regulations, separate regulations, regulations of State Council departments, local government regulations, autonomous regulations, separate regulations of autonomous regions, and international treaties signed by the Chinese Government.

Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

Pursuant to the Constitution of the People’s Republic of China (《中華人民共和國憲法》) (the “Constitution”), which was promulgated on December 4, 1982 and last amended and entered into force on March 11, 2018, and the Legislative Law of the People’s Republic of China (《中華人民共和國立法法》) (the “Legislative Law”), which was adopted on July 1, 2000 and amended on March 15, 2023, the NPC and the NPC Standing Committee are empowered to exercise the legislative power of the State. The NPC is empowered to enact and amend basic laws in criminal, civil, state institution and other areas. The NPC Standing Committee is empowered to enact and amend laws other than those required to be enacted by the NPC, as well as to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest administrative organ of the State and is authorized to enact administrative regulations based on the Constitution and laws.

The people’s congresses of provinces, autonomous regions and municipalities under the Central Government and their respective standing committees may enact local regulations based on the specific circumstances and requirements of their own respective administrative areas, provided that such local regulations do not contravene the Constitution, laws or administrative regulations.

Ministries and commissions, the PBOC, the Audit Office of the People’s Republic of China and the directly affiliated institutions of the State Council that have administrative functions, and other institutions designated by law, may formulate departmental regulations within the scope of their competence in accordance with laws and administrative regulations and the decisions and rulings of the State Council. Provisions for departmental regulations shall be formulated for the purpose of implementing the laws, administrative regulations and the decisions and rulings of the State Council.

The people’s congresses and their standing committees of cities with subordinate districts may, in the light of specific circumstances and actual needs, enact local regulations which shall enter into force upon approval by the standing committee of the people’s congress of the province or autonomous region concerned, provided that such local regulations do not contravene the Constitution, laws, administrative regulations or the local regulations of the provinces or autonomous regions where such cities are located.

The people’s congresses of autonomous regions may, in the light of the political, economic and cultural characteristics of the local nationalities, enact autonomous regulations and separate regulations, which shall enter into force upon approval by the NPC Standing Committee. Autonomous regulations and separate regulations may make variations on the provisions of laws and administrative regulations, provided that they do not contravene the basic principles of the laws or administrative regulations, and that they do not make variations on the provisions of the Constitution and the Law on Regional Ethnic Autonomy, or on the provisions of other relevant laws or administrative regulations that are specifically made with respect to national autonomous areas.

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The people's governments of provinces, autonomous regions, municipalities directly under the Central Government, cities with districts or autonomous prefectures may enact rules according to laws and administrative regulations as well as local regulations of their respective provinces, autonomous regions or municipalities directly under the Central Government.

The Constitution is of the highest legal force; no law, administrative regulation, local regulation, autonomous regulation, special regulation or administrative or local rule 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 of the local governments at and below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the cities with subordinate districts or autonomous prefectures within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to amend or withdraw any inappropriate law enacted by its Standing Committee and any autonomous regulation or special regulation approved by its Standing Committee that is in contradiction with the Constitution or the Legislation Law; the Standing Committee of the NPC has the power to withdraw any administrative regulation that contravenes the Constitution or any law, any local regulation that contravenes the Constitution or any law or administrative regulation, and any autonomous regulation or special regulation approved by the standing committee of the people's congress of any province, autonomous region, or municipality directly under the Central Government that is in contradiction of the Constitution or the Legislation Law; the State Council has the authority to amend or withdraw any inappropriate departmental rule or local government rule; the people's congress of a province, autonomous region, or municipality directly under the Central Government has the power to amend or withdraw any inappropriate local regulation enacted or approved by its standing committee; the standing committee of a local people's congress has the authority to withdraw any inappropriate rule enacted by the people's government at the same level; the people's government of a province or autonomous region has the power to amend or withdraw any inappropriate local rule enacted by the people's government at the next lower level; and the enabling organ has the authority to withdraw the regulation that has been enacted by the enabled organ acting beyond its scope of authorization or in contradiction with the objective of the authorization decision, and where necessary, the enabling organ may revoke the authorization.

Pursuant to the Constitution, the power to interpret laws is vested in the NPC Standing Committee. Pursuant to the Decision of the NPC Standing Committee 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 June 10, 1981, the Supreme People's Court and the Supreme People's Procuratorate of the People's Republic of China shall, respectively, interpret the application of the laws and decrees in trials in the courts and in the work of the procuratorates. Other laws and decrees that are not part of the trial or procuratorial work shall be interpreted by the State Council and the competent ministries and commissions.

Where the provisions of local laws and regulations themselves need to be further defined or supplemented, the Standing Committee of the People's Congress of the province, autonomous region or municipality directly under the Central Government that enacted the laws and regulations shall make interpretations or stipulations. Where it is a question concerning the specific application of local laws and regulations, the competent department of the people's government of the province, autonomous region or municipality directly under the Central Government shall make interpretations.

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PRC JUDICIAL SYSTEM

Pursuant to the Constitution, and the Organic Law of the People’s Courts of the People’s Republic of China (《中華人民共和國人民法院組織法》), which was promulgated on July 5, 1979, implemented on January 1, 1980, last amended on October 26, 2018 and entered into force on January 1, 2019, China’s judicial system consists of the Supreme People’s Court, local people’s courts at all levels and specialized people’s courts.

The local people’s courts at all levels are comprised of the primary people’s courts, the intermediate people’s courts and the higher people’s courts. The higher people’s courts supervise lower people’s courts. The Supreme People’s Court is the highest judicial organ in China and has the power to supervise the judicial work of local people’s courts at all levels and all specialized people’s courts. The people’s procuratorates are also authorized to exercise legal supervision over the trial activities of people’s courts at the same or lower levels.

In the adjudication of cases, the people’s courts have adopted the “two-tier trial system” for appeal. Parties may, in accordance with the procedures prescribed by law, appeal the first-instance judgments and rulings of local people’s courts to a people’s court at a higher level. The people’s procuratorate may, in accordance with the procedures prescribed by law, lodge a protest with the people’s court at a higher level. If the parties do not appeal or the people’s procuratorate does not protest within the time limit for appeal, the judgments and rulings of the local people’s courts at all levels in cases of first instance shall be final judgments and rulings that have entered into legal force. Judgments and rulings in cases of second instance tried by intermediate people’s courts, higher people’s courts and the Supreme People’s Court, and the same in cases of first instance tried by the Supreme People’s Court, are final. However, if the Supreme People’s Court finds that a legally valid judgment, ruling or mediation document of a people’s court at any level contains errors, or if a people’s court at a higher level finds that a legally valid judgment, ruling or mediation document of a people’s court at a lower level contains such errors, the people’s court at a higher level shall have the right to review the case on its own initiative or to instruct the people’s court at a lower level to conduct a retrial. If the presiding judge of a people’s court at any level discovers that a legally valid judgment, ruling or mediation document contains errors and considers that a retrial is warranted, the case shall be submitted to the trial committee of the people’s court at the same level for discussion and decision.

The Civil Procedure Law of the People’s Republic of China (《中華人民共和國民事訴訟法》) (the “PRC Civil Procedure Law”), which was promulgated on April 9, 1991, last amended on September 1, 2023 and entered into force on January 1, 2024, sets forth the criteria 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 for enforcement of a civil judgment or ruling. All parties to a civil litigation within the territory of the PRC must comply with the PRC Civil Procedure Law. Generally, civil cases shall be tried in the first instance by the people’s court located in the defendant’s domicile. All parties to a contract may, by express agreement, choose the court of jurisdiction for civil litigation, provided that such court of jurisdiction shall be the court of jurisdiction of the place of residence of the plaintiff or the defendant, the place of conclusion or performance of the contract, or the place where the object of the action is located, etc., which has a substantial connection with the dispute. However, such choices shall in no case violate the provisions of hierarchical and exclusive jurisdiction.

Foreign individuals, stateless persons, foreign enterprises or foreign organizations shall enjoy the same litigation rights and obligations as Chinese citizens, legal persons or other organizations when filing or responding to lawsuits in Chinese courts. If a foreign court restricts the litigation rights of a Chinese citizen, legal person or other organization, the Chinese court may impose the same restriction on the litigation rights of citizens, enterprises and organizations of the said country. If a foreign individual, stateless person, foreign enterprise or foreign organization needs to hire a

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lawyer to file or respond to a lawsuit in a Chinese court, they must hire a Chinese lawyer. Pursuant to international treaties signed or acceded to by China, or on the principle of reciprocity, the people’s courts and foreign courts may request each other to serve documents, conduct investigations and take evidence, or carry out other actions on their own behalf. All parties to a civil action are required to comply with judgments and awards that have become legally binding. 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 a Chinese arbitral tribunal, the other party may, within two years, petition the people’s court for the enforcement of the judgment, ruling or award. The limitation period for applications to execute a judgment can be suspended or discontinued. If the party fails to comply with the court’s judgment granting leave for enforcement within the prescribed period, the court may enforce the judgment against the other party on its application.

If a party applies for execution of a legally effective judgment or ruling made by a people’s court and the party subject to execution or his property is not located within the territory of the People’s Republic of China, the applicant may directly apply for recognition and execution to the foreign court with jurisdiction. Alternatively, the people’s court may, pursuant to an international treaty concluded or acceded to by the PRC or in accordance with the principle of reciprocity, request the foreign court to recognize and execute the judgment or ruling. If a legally effective judgment or ruling made by a foreign court requires recognition and execution by a people’s court, the party concerned may directly apply for recognition and execution to the intermediate people’s court with jurisdiction. Alternatively, the foreign court may, pursuant to the provisions of an international treaty concluded between or acceded to by the foreign state and the PRC, or in accordance with the principle of reciprocity, request the people’s court to recognize and execute the judgment or ruling. Having received an application or a request for recognition and execution of a legally effective judgment or ruling of a foreign court, a people’s court shall review such judgment or ruling pursuant to international treaties concluded or acceded to by the PRC or in accordance with the principle of reciprocity. If, upon such review, the people’s court considers that such judgment or ruling neither violates the basic principles of the laws of the PRC nor harms national sovereignty, security, and the public interest, it shall rule to recognize its effectiveness. If execution is necessary, it shall issue an order of execution, which shall be implemented in accordance with the relevant provisions.

PRC COMPANY LAW

The Company Law of the People’s Republic of China (《中華人民共和國公司法》) (the “Company Law”) was promulgated by the NPC Standing Committee on December 29, 1993 and entered into force on July 1, 1994, with the last amendment to the Company Law promulgated on December 29, 2023 and entering into force on July 1, 2024.

Set out below is a summary of the principal provisions of the Company Law applicable to the Company.

General

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law, all of whose Shares are either par Shares or no-par Shares in accordance with the provisions of the Articles of Association; in the case of par Shares, the amount of each share is equal. The liability of its Shareholders is limited to the amount of Shares subscribed by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A joint stock limited company shall conduct its business in accordance with laws and administrative regulations. It may invest in other enterprises.

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Incorporation

A joint stock limited company may be incorporated by promotion or stock floatation.

A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the PRC.

The promoters of a joint stock limited company established by way of stock floatation shall convene an inaugural meeting of the company within 30 days from the date on which the Shares to be issued upon the establishment of the company have been fully paid up. The promoters shall notify the subscribers of the date of the meeting or make an announcement 15 days prior to the date of the inaugural meeting. The inaugural meeting shall be held in the presence of a majority of the subscribers holding voting rights. The convening and voting procedures of the inaugural meeting of a joint stock limited company established by way of promotion shall be stipulated in the Articles of Association or in the promoters' agreement.

At the inaugural meeting, matters including the adoption of the Articles of Association and the election of Directors and Supervisors of the company will be considered. All resolutions made at the inaugural meeting require the approval of a majority of the votes held by the subscribers present at the meeting.

The board of directors shall, within 30 days after the end of the establishment meeting of a company, authorize a representative to file an application for registration of establishment with the company registration authority.

Registered capital

The shareholders may make capital contributions in currency, or in kind, intellectual property rights, land use rights, equity right, creditor's rights and other non-monetary property that can be valued in currency and can be transferred in accordance with the law, except for the assets prohibited by law or administrative regulations to be used for capital contribution. Where non-monetary assets are used for capital contribution, the assets shall be evaluated and verified, and shall not be overvalued or undervalued.

Shares issued by the company shall be registered Shares.

The transfer of Shares by Shareholders shall be conducted via the legally established stock exchange or in accordance with other methods as stipulated by the State Council. Transfer of registered Shares by a Shareholder must be made by means of an endorsement or by other means stipulated by laws or administrative regulations.

A company may, in accordance with the provisions of the Articles of Association, issue the following classes of Shares with rights different from those of ordinary Shares: (1) Shares with preferential or inferior distribution of profits or residual property; (2) Shares with more or fewer voting rights per share than ordinary Shares; (3) Shares whose transfer is subject to restriction on transfer, such as transferring them with the consent of the company; (4) other classes of Shares as prescribed by the State Council. A company making a public offering of Shares shall not issue the class of Shares specified in items (2) and (3) above, except for those issued prior to the public offering.

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Increase of registered capital and issue of shares

Pursuant to the Company Law, where a company proposes to issue new Shares, a resolution shall be passed at a Shareholders’ general meeting in accordance with the Articles of Association to determine the class, amount and issue price of the new Shares. All issue of Shares of a joint stock limited company shall 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 within the same class must be issued on the same conditions and at the same price. It may issue Shares at par value or at a premium, but it may not issue Shares below the par value.

Pursuant to the Company Law, a company shall keep a register of Shareholders containing the following particulars: the name and domicile of each Shareholder; the class and number of Shares subscribed by each Shareholder; the number of the Share Certificate held by each Shareholder if the shares are issued in paper form; and the date on which each Shareholder acquired his or her Shares.

Reduction of registered capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

- (1) it shall prepare a balance sheet and an asset list;
- (2) the reduction of registered capital shall be approved by a Shareholders’ general meeting;
- (3) it shall inform its creditors of the reduction in registered capital within 10 days and publish an announcement in the newspaper or the National Enterprise Credit Information Publicity System within 30 days after the resolution approving the reduction has been passed;
- (4) creditors may, within 30 days since the date of receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide guarantees covering the debts; and
- (5) it shall apply to the relevant registration administration for the registration of the reduction in registered capital.

If a company still has losses after making up for the losses in accordance with the provisions of the Company Law, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for the losses, the company shall not make any distribution to the Shareholders, nor shall the Shareholders be exempted from the obligation to pay the capital contribution or the share capital. If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the preceding provisions on the procedure for reduction of registered capital shall not apply, but an announcement shall be made in the newspapers or on the national enterprise credit information publicity system within 30 days from the date of the resolution of the Shareholders’ general meeting to reduce the registered capital.

Repurchase of Shares

Pursuant to the Company Law, a joint stock limited company may not repurchase its Shares, except for the following purposes: (1) to reduce the registered capital of the company; (2) to merge with another company holding the company’s Shares; (3) to use the Shares for an employee stock ownership plan or for equity incentives; (4) to request the company to acquire the Shares of Shareholders who dissent from the resolution of the Shareholders’ general meeting on a merger or division of the company; (5) to use the Shares for the conversion of corporate bonds issued by the company that are convertible into Shares; (6) necessary for a listed company to maintain the value of the company and the interests of Shareholders.

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The acquisition of the company’s Shares by the company under the circumstances stipulated in items (1) and (2) above shall be resolved by the Shareholders’ general meeting; the acquisition of the company’s Shares by the company under the circumstances stipulated in items (3), (5) and (6) above may be resolved by the Board meeting attended by more than two-thirds of the Directors in accordance with the Articles of Association or the authorization of the Shareholders’ general meeting.

After the company acquires the Shares of the company in accordance with the above provisions, in the case of item (1), the Shares shall be canceled within 10 days from the date of acquisition; in the case of items (2) and (4), the Shares shall be transferred or canceled within 6 months; in the case of items (3), (5) and (6), the company shall not hold Shares of the company in the aggregate in a number that exceeds 10% of the total number of the issued Shares of the company, and shall transfer or cancel the Shares within 3 years.

Where a listed company acquires Shares of the company, it shall fulfill its information disclosure obligations in accordance with the provisions of the Securities Law of the People’s Republic of China. Where a listed company acquires Shares of the company due to the circumstances as set forth in items (3), (5) and (6) above, it shall do so through open and centralized trading.

The company shall not accept its own Shares as the subject of pledge right.

Transfer of Shares

Shares held by Shareholders may be transferred in accordance with the relevant laws and regulations. Pursuant to the Company Law, transfer of Shares by Shareholders shall be carried out at a legally established securities exchange or in other ways stipulated by the State Council. No change in the register of Shareholders may be made within 20 days prior to the convening of the Shareholders’ general meeting or within 5 days prior to the base date on which the decision to distribute dividends is made. However, if the laws, administrative regulations or the securities regulatory authorities under the State Council provide otherwise for the registration of changes in the register of Shareholders of a listed company, the provisions thereof shall apply.

Pursuant to the Company Law, Shares issued prior to the public issuance of Shares shall not be transferred within one year from the date of the joint stock limited company’s listing on a stock exchange. Directors, Supervisors and senior management of the company shall declare to the company the number of Shares held by them in the company and changes therein, and shall not transfer more than 25% of the total number of the company’s Shares held by them in each year of their term of office as determined at the time of their assumption of office; the Shares of the company held by them shall not be transferred within 1 year as of the listing of the Shares of the company; and the abovementioned persons are not allowed to transfer their Shares in the company within six months after their departure.

Shareholder

Pursuant to the Company Law, the rights of holders of ordinary Shares of a joint stock limited company include:

- (1) the right to attend or appoint a proxy to attend Shareholders’ general meetings and to vote thereat;
- (2) the right to transfer Shares in accordance with laws, administrative regulations and provisions of the Articles of Association;

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- (3) the right to inspect the Articles of Association of the company, share register, minutes of Shareholders' general meetings, resolutions of meetings of the Board, resolutions of meetings of the Supervisory Committee and financial and accounting reports and to make proposals or enquiries on the company's operations;
- (4) the right to bring an action in the people's court to rescind resolutions passed by Shareholders' general meetings and meetings of the Board where the Articles of Association is violated by the above resolutions;
- (5) the right to receive dividends and other forms of profit distribution according to the proportion of Shares they hold;
- (6) in the event of the termination or liquidation of the company, the right to participate in the distribution of the residual properties of the company in proportion to the number of Shares held; and
- (7) other rights granted by laws, administrative regulations, other regulatory documents and the Articles of Association of the company.

The obligations of a Shareholder include the obligation to abide by the Articles of Association of the company, to pay the subscription moneys in respect of the Shares subscribed for and in accordance with the form of making capital contributions, to be liable for the company's debts and liabilities to the extent of the amount of his/her subscribed Shares and any other Shareholders' obligation specified in the Articles of Association of the company.

Shareholders' general meeting

The Shareholders' general meeting is the organ of authority of the company, which exercises its powers in accordance with the Company Law. Pursuant to the Company Law, the Shareholders' general meeting exercises the following powers and functions:

- (1) to elect and replace Directors and Supervisors and to decide matters relating to the remuneration of Directors and Supervisors;
- (2) to examine and approve reports of the Board;
- (3) to examine and approve reports of the Supervisory Committee;
- (4) to examine and approve the company's profit distribution plan and loss recovery plan;
- (5) to resolve on increase or decrease of the registered capital of the company;
- (6) to resolve on the issuance of corporate bonds;
- (7) to resolve on the merger, division, dissolution, liquidation of the company or change of company form;
- (8) to modify the Articles of Association;
- (9) other powers and functions stipulated by the Articles of Association.

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The Shareholders' general meeting shall be convened once a year. When any of the following circumstances occurs, the company shall convene an extraordinary Shareholders' general meeting within two months of the occurrence of the circumstances:

- (1) the number of Directors is less than the number stipulated by the law or less than two-thirds of the number specified in the Articles of Association;
- (2) the aggregate losses of the company which are not recovered reach one-third of the company's total share capital;
- (3) where the shareholders who separately or aggregately hold 10% or more of the company's shares so request;
- (4) when the Board considers it necessary;
- (5) when the Supervisory Committee so requests; or
- (6) other circumstances stipulated by the Articles of Association.

Pursuant to the Company Law, the Shareholders' general meeting shall be convened by the Board and chaired by the Chairman of the Board. If the Chairman is unable to perform his/her duties or fails to perform his/her duties, a Vice Chairman shall preside over the Shareholders' general meeting. In the event that the Vice Chairman is unable to perform his/her duties or fails to perform his/her duties, a majority of the Directors shall jointly elect a Director to preside over the Shareholders' general meeting.

If the Board is unable to perform or fails to perform its duty to convene a Shareholders' general meeting, the Supervisory Committee shall convene and preside over the Shareholders' general meeting in a timely manner. If the Supervisory Committee fails to convene and preside over such Shareholders' general meeting, Shareholders who have individually or collectively held more than 10% of the company's Shares for 90 consecutive days may convene and preside over the Shareholders' general meeting on their own.

Pursuant to the Company Law, a Shareholders' general meeting shall be convened by notifying the Shareholders of the time and place of the meeting and the matters to be considered 20 days prior to the convening of the meeting, and an extraordinary Shareholders' general meeting shall be convened by notifying the Shareholders 15 days prior to the convening of the meeting.

Pursuant to the Company Law, Shareholders attending the Shareholders' general meeting have one vote per share held, except for class Shareholders. Shares held by the company shall have no voting rights.

Pursuant to the provisions of the Articles of Association or a resolution of the Shareholders' general meeting, the accumulative voting system may be adopted for the election of Directors and Supervisors at the Shareholders' general meeting. Under the accumulative voting system, in the election of Directors or Supervisors at the Shareholders' general meeting, each Share shall be entitled to vote equivalent to the number of Directors or Supervisors to be elected at the Shareholders' general meetings and Shareholders may consolidate their voting rights when casting a vote.

Pursuant to the Company Law, resolutions at a Shareholders' general meeting shall be adopted by a majority of the votes held by the Shareholders present at the meeting. However, resolutions of the Shareholders' general meeting regarding the following matters shall be adopted by not less than

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two-thirds of the voting rights held by the Shareholders present at the meeting: (1) amendments to the Articles of Association; (2) the increase or decrease of registered capital; (3) the merger, division, dissolution, liquidation of the company or change of company form.

Pursuant to the Company Law, meeting minutes shall be prepared in respect of decisions on matters discussed at the Shareholders' general meetings. The Chairman of the Shareholders' general meeting and the Directors present at the meeting shall sign on the minutes. The minutes shall be kept together with the Shareholders' attendance register and the proxy forms.

The Board

Unless otherwise stipulated by the Company Law, a joint stock limited company shall have a Board, which shall be composed of at least three members. Members of the Board may include representatives of the employees of the company, who shall be democratically elected by the company's staff at the staff representative assembly, general staff meeting or otherwise. The term of the Directors shall be prescribed by the Articles of Association, provided that each term may not exceed 3 years. Upon maturity of the term of office, a Director shall be eligible to offer himself for re-election and re-appointment. A Director shall continue to perform his/her duties in accordance with the laws, administrative regulations and the Articles of Association until a duly re-elected Director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of Directors results in the number of Directors being less than the quorum.

Pursuant to the Company Law, the Board mainly exercises the following powers and functions:

- (1) to convene Shareholders' general meetings and presenting reports thereto;
- (2) to implement resolutions adopted by the Shareholders' general meeting;
- (3) to decide on the company's business plans and investment proposals;
- (4) to formulate the profit distribution plan and loss recovery plan of the company;
- (5) to formulate proposals for the increase or reduction of the company's registered capital and the issuance of corporate bonds;
- (6) to develop the scheme on the merger, division, dissolution and change of company form of the company;
- (7) to determinate the setup of the company's internal management structure;
- (8) to appoint or remove the Manager of the company, appoint or remove, upon the Manager's recommendation, Deputy Managers of the company and the officer in charge of finance, and determine the remuneration for those officers;
- (9) to formulate the basic management system of the company; and
- (10) other powers and functions conferred by the Articles of Association or the Shareholders' general meeting.

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Board meetings

Pursuant to the Company Law, meetings of the Board of a joint stock limited company shall be convened at least twice a year. Notice of meeting shall be given to all Directors and Supervisors 10 days before the meeting. Interim Board meetings may be proposed to be convened by Shareholders representing more than 10% of voting rights, more than one-third of the Directors or the Supervisory Committee. The Chairman shall convene and preside over a Board meeting within ten days after receiving the proposal. A Board meeting not be held unless half or more of the Directors are present. Resolutions of the Board shall be passed by more than half of all Directors. Each Director shall have one vote for the resolutions approved by the Board. Directors shall attend Board meetings in person. If a Director is unable to attend a Board meeting, he/she may appoint another Director by a written power of attorney specifying the scope of the authorization to attend the meeting on his/her behalf.

If a resolution of the Board violates the laws, administrative regulations or the Articles of Association, and as a result of which the company sustains serious losses, the Directors participating in the resolution are liable to compensate the company. However, if it can be proved that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director may be released from that liability.

Chairman

Pursuant to the Company Law, the Board shall appoint a Chairman and may appoint Vice Chairman. The Chairman and the Vice Chairman are elected with approval of more than half of all the Directors. The Chairman shall convene and preside over Board meetings and examine the implementation of Board resolutions. The Vice Chairman shall assist the work of the Chairman. In the event that the Chairman is incapable of performing or not performing his/her duties, the duties shall be performed by the Vice Chairman. In the event that the Vice Chairman is incapable of performing or not performing his/her duties, a Director nominated by more than half of the Directors shall perform his/her duties.

Qualifications of Directors

The Company Law provides that the following persons may not serve as a Director:

- (1) persons without capacity or with limited capacity for civil acts;
- (2) persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in case of a suspended sentence, not more than two years have elapsed since the date of expiration of the probationary period;
- (3) persons who were former Directors, factory managers or Managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;

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- (4) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and were ordered to close down, and who were personally liable for the revocation of business license of such company or enterprise, where less than three years have elapsed since the date of the revocation of business license of such company or enterprise;
- (5) persons who have been listed by the People's Court as defaulter because they have incurred debts of a large amount that have not been settled by the due date.

Supervisory Committee

A joint-stock company may, in accordance with the provisions of the Articles of Association, set up an Audit Committee consisting of Directors on its Board to exercise the powers and functions of the Supervisory Committee under the Company Law, and may not have a Supervisory Committee or Supervisors.

Where a joint stock limited company sets up a Supervisory Committee, such Supervisory Committee shall consist of not less than three members. The Supervisory Committee is made up of representatives of the Shareholders and an appropriate proportion of employee representatives of the company, of whom not less than one-third shall be Supervisors representing employees, as specified in the Articles of Association. Employee representatives of the company in the Supervisory Committee shall be democratically elected by the employees at the employee representative general meeting, employee general meeting or otherwise.

A Director and a senior management of the company shall not serve concurrently as a Supervisor.

The Supervisory Committee shall have a chairman and may have vice chairman. The chairman and vice chairman of the Supervisory Committee shall be elected by more than half of all Supervisors. The chairman of the Supervisory Committee shall convene and preside over the meetings of the Supervisory Committee. In the event that the chairman of the Supervisory Committee is unable or fails to perform his/her duties, the vice chairman of the Supervisory Committee shall convene and preside over the meetings of the Supervisory Committee. In the event that the vice chairman is unable or fails to perform his/her duties, the meetings shall be convened and presided over by a Supervisor jointly nominated by more than half of all the Supervisors.

Each term of a Supervisor shall be three years, and a Supervisor may continue to serve his/her post if he/she is re-elected. A Supervisor shall continue to perform his/her duties in accordance with the laws, administrative regulations and the Articles of Association until a duly re-elected Supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of Supervisors results in the number of Supervisors being less than the quorum.

The Supervisory Committee shall convene a meeting at least every six months. According to the Company Law, the Supervisory Committee shall make resolutions with the consent of a majority of all Supervisors.

The Supervisory Committee exercises the following functions and power:

- (1) to examine financial operations of the company;
- (2) to monitor any acts of Directors and senior management of the company in their performance of duties, and to propose the removal of Directors and senior management who have violated laws, administrative regulations, the Articles of Association or resolutions of the Shareholders' general meeting;

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- (3) to require the Directors or senior management to correct their acts that are detrimental to the company's interests;
- (4) to propose to convene an extraordinary Shareholders' general meeting, and to convene and preside over Shareholders' general meetings when the Board fails to perform the duty of convening and presiding over the Shareholders' general meeting under the Company Law;
- (5) to submit proposals to the Shareholders' general meeting;
- (6) to raise litigation against any Director or senior management according to the relevant provisions of the Company Law; and
- (7) other powers and functions stipulated by the Articles of Association.

Manager and Senior Management

Under the Company Law, the company shall have a Manager who shall be appointed or removed by the Board. The Manager shall be accountable to the Board and exercise his/her authority in accordance with the provisions of the Articles of Association or as delegated by the Board. The Manager shall be present at Board meetings.

According to the Company Law, senior management shall mean the Manager, Deputy Manager, person-in-charge of finance, Secretary to the Board (in case of a listed company) of the company and other personnel as stipulated in the Articles of Association.

Duties of the 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 and senior officers are prohibited from:

- (1) Misappropriation of the company's property or funds;
- (2) Depositing company assets into an account in his/her own name or in any other individual's name;
- (3) Using his/her position to bribe or receive other illegal income;
- (4) Accepting and keeping privately commissions on transactions with the company;
- (5) Disclosing the secrets of the company without authorization;
- (6) Other acts in violation of the duty of loyalty to the company.

Directors, supervisors and senior management, who directly or indirectly enter into contracts or conduct transactions with the company, shall report to the Board or the shareholders' general meeting on matters relating to the conclusion of the contract or the conduct of the transaction, which shall be adopted by a resolution of the Board or the Shareholders' general meeting in accordance with the provisions of the Articles of Association. The provisions of the preceding paragraph shall apply to the conclusion of contracts or transactions with the company by close relatives of Directors, Supervisors and senior management, enterprises directly or indirectly controlled by Directors, Supervisors and senior management or their close relatives, as well as connected persons with whom Directors, Supervisors and senior management have other affiliations.

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Directors, Supervisors and senior management shall not utilize the convenience of their positions to seek business opportunities belonging to the company for themselves or others, except under any of the following circumstances: (I) where he/she has reported to the board of directors or the shareholders' meeting and has been approved by a resolution of the board of directors or the shareholders' meeting according to the articles of association; or (II) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Directors, Supervisors and senior management shall not operate the same kind of business as the company for himself/herself or for another person without reporting to the Board or the Shareholders' general meeting and passing a resolution by the Board or the Shareholders' general meeting in accordance with the provisions of the Articles of Association.

Finance and Accounting

Under the Company Law, the company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. The company shall at the end of each financial year prepare a financial and accounting report which shall be audited by an accounting firm as required by law. The company's financial and accounting report shall be prepared in accordance with the provisions of laws, administrative regulations and the regulations of the financial department of the State Council. The financial accounting report of a joint stock limited company shall be made available for inspection by the shareholders at the company not later than twenty days before the annual meeting of shareholders.

A company that publicly offers shares shall announce its financial and accounting reports.

When distributing each year's after-tax profits, the company shall set aside 10% of its after-tax profits into a statutory surplus reserve (except where the reserve has reached 50% of its registered capital).

Where the statutory surplus reserve of the company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawing of the statutory surplus reserve in accordance with the above provisions.

After the company has withdrawn the statutory surplus reserve from the after-tax profit, it can withdraw the arbitrary surplus reserve from the after-tax profit by a resolution of the Shareholders' general meeting.

A joint-stock limited company distributes its after-tax profit remaining after the company has made up for its losses and withdrawn its surplus reserve in accordance with the shareholding by its Shareholders, unless otherwise provided for in the Articles of Association.

Shares held by the Company shall not be entitled to any distribution of profit.

Premiums received by the company from the issuance of Shares at an issue price in excess of the par value of the Shares, the amount of Share proceeds from the issuance of no-par Shares that have not been credited to the registered capital, and other items required by the financial department of the State Council to be included in the capital reserve, shall be included in the capital reserve of the company.

The Company's surplus reserve shall be applied to make up losses of the company, expand its business operations or be converted to increase the registered capital of the company. Surplus reserve to make up for the company's losses shall be used first for arbitrary surplus reserve and

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statutory surplus reserve; if the makeup fails, the capital reserve can be used in accordance with the regulations. When statutory surplus reserve is converted to increase registered capital, the statutory surplus reserve retained shall not be less than 25% of the company's registered capital before the conversion.

The Company shall have no other accounting books except the statutory accounting books. The company's assets shall not be deposited in any accounts opened in the name of any individual.

Appointment and Retirement of Accounting Firms

According to the Company Law, the appointment or dismissal of accounting firms responsible for the auditing of the company shall be determined by the Shareholders' general meeting or the Board or the board of supervisors in accordance with the Articles of Association. The accounting firm shall be allowed to make representations when the Shareholders' general meeting or the Board or the board of supervisors conducts a vote on the dismissal of the accounting firm. The company shall provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the engaged accounting firm, and shall not refuse, conceal or make false reports.

Profit Distribution

According to the Company Law, the company shall not distribute profits before losses are covered and the statutory surplus reserve is withdrawn.

Dissolution and Liquidation

According to the Company Law, the company shall be dissolved under any of the following circumstances:

- (1) Business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;
- (2) The Shareholders' general meeting resolves to dissolve the company;
- (3) A dissolution is required due to merger or division of the company;
- (4) The company is revoked of business license according to law, ordered to close or canceled;
- (5) If the company has serious difficulties in its operation and management, and its continued existence will cause major losses to the interests of Shareholders and cannot be resolved by other means, the people's court shall dissolve the company at the request of Shareholders holding more than ten percent of the company's voting rights.

In the event a company falls under item (1) or (2) above and has not yet distributed property to its shareholders, it may carry on its existence by amending its Articles of Association or by a resolution of the Shareholders' general meeting. The amendment of the Articles of Association in accordance with provisions set out above shall require approval of more than two thirds of voting rights of Shareholders attending the Shareholders' general meeting.

Where the company is dissolved in the circumstances described in subparagraphs (1), (2), (4) or (5) above, a liquidation committee shall be established and the liquidation process shall commence within 15 days after the occurrence of an event of dissolution.

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The liquidation committee shall be composed of the directors, unless it is otherwise provided for in the company's articles of association or it is otherwise elected by the shareholders' meeting. The liquidation committee fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation committee. 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 power during liquidation:

- (1) to clear up the assets of the company and prepare a balance sheet and property list respectively;
- (2) to notify creditors by a notice or public announcement;
- (3) to handle the outstanding business of the company in connection with liquidation;
- (4) to settle all outstanding tax payment and the tax payment which arise in the course of the liquidation process;
- (5) to clear up claims and debts;
- (6) to distribute the remaining assets after full payment of the company's debts;
- (7) to participate in civil litigation on behalf of the company.

The liquidation committee shall notify the company's creditors within 10 days after its establishment and make a public notice in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. A creditor shall lodge his/her claim with the liquidation committee within 30 days after receiving the notification, or within 45 days of the public notice if he/she did not receive any notification. A creditor shall state all matters relevant to his/her creditor rights in making his/her claim and furnish evidence. The liquidation committee shall register such claims. The liquidation committee shall not make any debt rights settlement to creditors during the period of claim.

Upon liquidation of properties and the preparation of the balance sheet and inventory of assets, the liquidation committee shall draw up a liquidation plan to be submitted to the Shareholders' general meeting or people's court for confirmation.

The company's remaining assets after payment of liquidation expenses, wages, social insurance expenses and statutory compensation, outstanding taxes and debts shall be distributed to Shareholders according to their shareholding proportion. The company shall continue to exist during the liquidation period but shall not carry out any business operation unrelated to the liquidation. The company's properties shall not be distributed to the Shareholders before repayments are made in accordance to the foregoing provisions.

Upon liquidation of the company's properties and the preparation of the balance sheet and inventory of assets, if the liquidation committee becomes aware that the company does not have sufficient assets to meet its liabilities, it shall apply to the people's court for bankruptcy liquidation.

After the people's court accepts the bankruptcy petition, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator appointed by the people's court.

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Upon completion of the liquidation, the liquidation committee shall submit a liquidation report to the Shareholders' general meeting or the people's court for confirmation. Thereafter, the report shall be submitted to the registration authority of the company in order to cancel the company's registration. The members of the liquidation committee performing their duties of liquidation are obliged to loyalty and diligence.

Any member of the liquidation committee who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation committee who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Loss of Share Certificates

In the event that a registered share certificate is lost, stolen or destroyed, the Shareholder concerned may apply to the People's Court to declare the certificate null and void in accordance with the relevant provisions of the Civil Procedure Law. After the people's court has invalidated such share certificate through the public notice procedure, the Shareholder may apply to the company for re-issuance of a certificate for the share.

Merger and Division

A merger of companies may take the form of merger by absorption or merger by new establishment. In the case of a merger by absorption, a company absorbs another company and the absorbed company shall be dissolved. In the case of a merger by new establishment, two or more companies combine together for the establishment of a new one, and the pre-merger companies shall be dissolved.

PRC SECURITIES LAWS AND REGULATIONS

China has enacted a number of regulations governing the issuance and trading of our Shares and the disclosure of information. In October 1992, the State Council set up the Securities Commission of the State Council and the CSRC. The Securities Commission of the State Council is responsible for coordinating the drafting of securities-related laws and regulations, formulating policies on securities matters, planning the development of the securities market, and guiding, coordinating and supervising all organizations involved in securities matters in China, as well as managing the China Securities Regulatory Commission (CSRC). The CSRC is a regulatory body under the Securities Commission of the State Council, responsible for drafting regulatory laws and regulations governing the securities market, supervising securities companies, overseeing public offerings of securities by Chinese companies in China and abroad, regulating securities trading, compiling securities-related statistics, and conducting related research and analysis. On March 29, 1998, the State Council merged the two organizations and reformed the CSRC.

On April 22, 1993, the State Council promulgated the Provisional Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》) to regulate the application and approval procedures for public offerings of equity securities, the purchase and sale of equity securities, the acquisition of listed companies, the deposit, settlement and transfer of listed equity securities, and the disclosure of information on listed companies, investigations, penalties and the resolution of disputes.

On December 25, 1995, the State Council promulgated the Regulations of the State Council on Domestically Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》), which mainly regulate the issuance, subscription, purchase and sale of domestically listed foreign Shares and dividend declaration, and the disclosure of information by joint stock limited companies that own domestically listed foreign Shares.

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The Securities Law of the People’s Republic of China (《中華人民共和國證券法》) (the “PRC Security Law”) became effective on July 1, 1999 and was amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively. This is China’s first national securities law, regulating, among other things, the issuance and trading of securities, takeovers of listed companies, stock exchanges, securities companies and the duties of securities regulatory authorities under the State Council. The PRC Security Law comprehensively regulates the activities of China’s securities market. Article 224 of the PRC Security Law provides that domestic enterprises that directly or indirectly issue securities outside China or list and trade their securities outside China shall comply with the relevant provisions of the State Council. At present, the issuance and trading of overseas issued securities (including H Shares) are mainly regulated by rules and regulations promulgated by the State Council and the CSRC.

The Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請「全流通」業務指引》) was promulgated on November 14, 2019, which was amended on August 10, 2023. The purpose of the Guidelines is to regulate the listing and circulation on the Stock Exchange of the unlisted domestic Shares of H-share companies listed on the Hong Kong Stock Exchange (including unlisted domestic Shares held by domestic Shareholders prior to their listing overseas, unlisted domestic Shares issued domestically after their listing overseas, and unlisted Shares held by Shareholders outside Hong Kong) (hereinafter referred to as “full circulation”). To apply for full circulation, an H-Share company shall file the application with the CSRC. H-share companies may make separate or simultaneous applications for “full circulation” when applying for overseas refinancing. Unlisted domestic companies may apply for “full circulation” at the same time as they apply for an overseas initial public offering and listing.

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》) (the “Arbitration Law”) was adopted on August 31, 1994, became effective on September 1, 1995, and was amended on August 27, 2009, September 1, 2017, and September 12, 2025, respectively. The latest amendment came into effect on March 1, 2026. The Arbitration Law applies when the parties have agreed in writing to submit the dispute in question to an arbitration commission constituted under the Arbitration Law for the arbitration of disputes relating to contracts and other property, and the parties to the dispute shall be natural persons, legal persons and other organizations. Unless the arbitration agreement is invalid, the people’s court shall not accept a dispute that has been settled by arbitration in accordance with the agreement of the parties.

According to the Arbitration Law and the Civil Procedure Law, the award made by the arbitration institution is final and binding on both parties to the arbitration. If one of the parties to the arbitration fails to comply with the arbitral award, the other party to the arbitral award may apply to the people’s court for enforcement. The people’s court shall enforce the arbitral award upon receipt of the relevant application. If the arbitration procedure is unlawful (including, but not limited to, the composition of the Arbitration Commission or the procedure of the arbitration being in violation of the statutory procedure, or the matters to be awarded not falling within the scope of the arbitration agreement or the Arbitration Commission not having the authority to arbitrate), the people’s court, after forming a collegial panel to examine and verify the matter, decides that the arbitration decision made by the Arbitration Commission shall not be enforced.

A party seeking to enforce an arbitral award made by the China Arbitration Commission against another party who is not physically present in China or whose property is not located in China may apply for enforcement of the arbitral award to a foreign court having jurisdiction over the case. Similarly, arbitral awards made by foreign arbitral institutions may also be recognized and enforced by Chinese courts in accordance with the principle of reciprocity or any international treaty signed or acceded to by China. 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”), adopted on June 10, 1958, pursuant to a resolution of the Standing Committee of the

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National People’s Congress adopted on December 2, 1986. Under the New York Convention, member states of the New York Convention are required to recognize and enforce all arbitral awards made by other member states under the New York Convention, but are entitled to refuse to enforce an arbitral award in a number of circumstances, including where enforcement of the arbitral award conflicts with the public policy of the state in which the arbitration is to be enforced. Upon China’s accession to the New York Convention, the Standing Committee of the National People’s Congress declared that: (i) the New York Convention applies only to the recognition and enforcement of arbitral awards rendered on the basis of principles of equity in the territories of the other parties; and (ii) the New York Convention applies only to disputes that are deemed to arise out of a contractual or non-contractual commercial legal relationship under the laws of China.

Pursuant to the Arrangement of the Supreme People’s Court Concerning Reciprocal Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People’s Court on January 24, 2000, which came into effect on February 1, 2000, and the Supplementary Arrangement of the Supreme People’s Court Concerning Reciprocal Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院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》) promulgated on November 26, 2020 (with Articles I and IV coming into force on November 27, 2020, and Articles II and III coming into force on May 19, 2021), the Hong Kong courts have agreed to enforce awards made under the Arbitration Law by Chinese Mainland arbitral institutions (the list of which was provided by the former Legislative Affairs Office of the State Council through the Hong Kong and Macao Affairs Office of the State Council), and the people’s courts of Chinese Mainland have agreed to enforce awards made in Hong Kong in accordance with the Hong Kong Arbitration Ordinance. If a court in mainland China decides that to enforce the arbitration award in mainland China is contrary to the social public interests of mainland China, or if a court of the Hong Kong decides that to enforce the arbitration award in the Hong Kong is contrary to public policy in the Hong Kong, such a court may refuse to enforce the said award.

JUDICIAL DECISION AND ENFORCEMENT

According to the Arrangement of the 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 Pursuant to Choice of Court Agreements Between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) promulgated by the Supreme People’s Court on July 3, 2008 and implemented on August 1, 2008, a party with a final court judgment rendered by a PRC court and a Hong Kong court requiring payment of money in a civil or commercial case pursuant to a choice of court agreement in writing may apply to the PRC court or Hong Kong court for recognition and enforcement of the judgment according to the Arrangement. “A choice of court agreement in writing” is defined as any agreement in writing entered into between parties for the purpose of resolving a dispute that has arisen or is likely to arise in connection with a particular legal relationship, in which a PRC court or a Hong Kong court is expressly designated as the court having sole jurisdiction for the dispute. Accordingly, the final court judgment satisfying the aforesaid conditions of the Arrangement may be recognized and enforced by the PRC court or Hong Kong court upon the application by the parties concerned. On January 18, 2019, the Supreme People’s Court and the Hong Kong Government signed the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Cases between the Courts of the Mainland and the Hong Kong Special Administrative Region (《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》) (the “New Arrangement”), with the aim of establishing a more transparent and clearer mechanism for the reciprocal recognition and enforcement of a wider range of judgments in civil and commercial cases between Hong Kong and China. The New Arrangement came into effect on January 29, 2024 and replaced the Arrangement of the 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 Pursuant to Choice of Court Agreements Between Parties Concerned.