The following is a brief summary of the key laws and regulations in the PRC and Hong Kong that currently may materially affect the Group and its operations. The principal objective of this summary is to provide potential investors with an overview of the key laws and regulations applicable to the Group. This summary does not purport to be a comprehensive description of all the laws and regulations applicable to the business and operations of the Group and/or which may be important to potential investors. investors should note that the following summary is based on the laws and regulations in force as at the date of this document, which may be subject to change.

A. PRC LAWS AND REGULATIONS

Regulations Relating to Foreign Investment

All enterprises in the PRC are required to comply with the PRC Company Law promulgated by the Standing Committee of the National People's Congress (the **"SCNPC"**) in 1993 and newly amended in 2023 and came into effect on July 1, 2024. The PRC Company Law, which regulates the formation, structure and management of companies, also applies to foreign-invested companies. Where there are otherwise different provisions in any law regarding foreign investment, such provisions shall prevail.

On March 15, 2019, the National People's Congress (the **"NPC"**) promulgated the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the **"Foreign Investment Law"**), which became effective on January 1, 2020. On December 26, 2019, the State Council promulgated the Regulations on the Implementation of the Foreign Investment Law (《中華人民共和國外商投資法實施條例》), which took effect on the same day as the Foreign Investment Law. On September 6, 2024, the National Development and Reform Commission (the **"NDRC"**) and the Ministry of Commerce (the **"MOFCOM"**) promulgated the Special Administrative Measures for Foreign Investment Access (Negative List) (Edition 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the **"Negative List"**), which became effective on November 1, 2024.

Pursuant to the Foreign Investment Law and the Negative List, the PRC implements a system of pre-entry national treatment plus negative list management for foreign investment. The Negative List specifies the areas in which investment is restricted, and foreign investors must meet the conditions set out in the Negative List to invest in those areas; areas outside the Negative List are managed in accordance with the principle of consistency between domestic and foreign investment.

On 15 December 2025, the MOFCOM and the NDRC promulgated the Catalogue of Encouraged Industries for Foreign Investment (Edition 2025) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraged Catalogue**"), which came into effect on 1 February 2026. The Encouraged Catalogue lists the industries that encourage foreign investment. As advised by our PRC legal Advisor, as of the Latest Practicable Date, our business of community-based fresh product chain does not fall within the scope of the Negative List and the Encouraged Catalogue.

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, which came into effect on January 18, 2021, specified that 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.

The Measures for Foreign Investment Information Reporting (《外商投資信息報告辦法》), which was promulgated on December 30, 2019 and came into effect on January 1, 2020, sets out the details of the foreign investment information report system. Since January 1, 2020, with respect to foreign investors carrying out investment activities directly or indirectly in the PRC, foreign investors or foreign-funded enterprises shall submit investment information to the commerce authorities in accordance with these measures.

On June 19, 2015, the Ministry of Industry and Information Technology (the **"MIIT"**) promulgated the Notice on Removing the Restrictions on Foreign Equity Ratios in Online Data Processing and Transaction Processing (Operating E-commerce) Business (《關於放開在綫數據處理與交易處理業務(經營類電子商務)外資股比限制的通告》), and decided to lift the restrictions on foreign equity ratios in online data processing and transaction processing (operating e-commerce) business across the country, allowing the foreign equity ratios to be increased to 100%. Guangzhou Zhuixian Food Co., Ltd. (廣州市追鮮食品有限公司) has obtained the Value-added Telecommunications Business License according to the abovementioned regulation, and the scope of permitted service includes online data processing and transaction processing services. As advised by our PRC legal Advisor, the aforementioned license is not subject to foreign investment restrictions.

Regulations Relating to Commercial Franchise

The State Council promulgated Regulation on the Administration of Commercial Franchises (《商業特許經營管理條例》) on February 6, 2007. Pursuant to such Regulation, a franchiser for engagement in franchise activities shall possess a mature business model and the ability to provide long-term business guidance, technical support, business training and other services to the franchisee. A franchiser shall, within 15 days after having concluded a franchise contract for the first time, report it to the commercial administrative department for archival filing according to this Regulation.

The Administrative Measures for Archival Filing of Commercial Franchisees (《商業特許經營備案管理辦法》), which was latest revised by the Ministry of Commerce on December 29, 2023, further stipulates the management details of commercial franchise activities. The Ministry of Commerce and the competent commerce departments under the people's governments of all provinces, autonomous regions, and municipalities directly under the Central Government shall be the authorities for archival filing of commercial. Franchisors failing to file pursuant to the Regulation and these Measures shall be ordered by competent commerce departments of people's governments at or above the prefecture-level to complete filing within a time limit and fined RMB10,000 to RMB50,000; failure to file within the time limit shall result in a fine of RMB50,000 to RMB100,000 and a public announcement.

On April 30, 2007, the Ministry of Commerce promulgated the Administrative Measures for Commercial Franchise Information Disclosure (《商業特許經營信息披露管理辦法》), which was amended on February 23, 2012 and became effective on April 1, 2012. The above Measures stipulate in detail the information disclosure obligations of franchisors in carrying out commercial franchising activities.

Regulations Relating to Food

Food Safety

On February 28, 2009, the SCNPC promulgated the Food Safety Law of the PRC (《中華人民共和國食品安全法》) (the **"Food Safety Law"**), which was last revised on September 12, 2025 and came into effect on December 1, 2025. On July 20, 2009, the State Council promulgated the Implementing Regulations of the Food Safety Law of the PRC (《中華人民共和國食品安全法實施條例》), which was last revised by the State Council on October 11, 2019 and came into effect on December 1, 2019.According to the Food Safety Law, food producers and operators shall be responsible for the safety of the food which they produce or deal in. The food safety supervision and administration departments under the State Council shall exercise supervision and administration over food production and operation activities. The health administrative department under the State Council shall organize the implementation of risk monitoring and risk assessment of food safety and shall formulate and issue national food safety standards in concert with the food safety supervision and administration departments under the State Council. Food safety standards are mandatory standards. No mandatory food standards other than food safety standards shall be formulated. Furthermore, according to the relevant laws and regulations above, food producers and operators shall establish a whole-process food safety traceability system so as to ensure the traceability of food products.

The Agricultural Product Quality and Safety Law of the PRC (《中華人民共和國農產品質量安全法》), which was promulgated by the SCNPC on September 2, 2022 and became effective on January 1, 2023, stipulates that all agricultural products for sale shall meet the relevant quality and safety standards for agricultural products.

Food Operation Licensing

According to the Food Safety Law, the state shall adopt a licensing system for food production and operation. Whoever engages in food production or sale or catering services shall obtain a permit in accordance with the law. However, a permit is not required for the sale of edible agricultural products and prepacked food. The sale of prepacked food shall be reported to the food safety regulatory department of the local people's government at or above the county level for recordation.

On June 15, 2023, the SAMR promulgated the Measures for the Administration of Food Operation Licensing and Registration (《食品經營許可和備案管理辦法》), which came into effect on December 1, 2023. According to the Measures for the Administration of Food Operation Licensing and Registration, in addition to certain statutory circumstances, anyone plans to engage in food sales and provide catering services within the territory of the PRC shall obtain a food trade permit in accordance with the law. Whoever sells prepackaged food only shall report to the local market regulatory department of the county or equivalent where it is located for recordation. If a food trader that has obtained a food trade permit increases the sale of prepackaged food, it is not required to undergo recordation separately.

Food Recall System

In accordance with the Food Safety Law and the Measures for the Administration of Food Recalls (《食品召回管理辦法》), which was last revised by the SAMR on October 23, 2020, the State has launched a food recall system. Upon discovery of food produced not conforming to food safety standards or if there is any evidence proving that the foods produced may harm human health, food producers must immediately cease production, recall foods in the market, notify the relevant food producers, operators and consumers thereof, and keep records of the recall and notification status.

Regulations Relating to Single-purpose Commercial Prepaid Cards

The Ministry of Commerce promulgated the Administrative Measures on Single-purpose Commercial Prepaid Cards (Trial Implementation) (《單用途商業預付卡管理辦法(試行)》) on August 18, 2016. Such Measures shall apply to enterprises engaged in retail, hospitality, catering and residential services that conduct single-purpose commercial prepaid card businesses within the territory of PRC. Enterprises issuing single-purpose commercial prepaid cards shall complete the filing formalities in accordance with relevant provisions within 30 days from the date of launching their single-purpose prepaid card businesses, otherwise they shall be ordered to rectify within a stipulated period.

Regulations Relating to Product Quality

On February 22, 1993, the SCNPC promulgated the Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the **"Product Quality Law"**), which came into effect on September 1, 1993. It was last amended by the SCNPC on December 29, 2018 and took effect on the same day. According to the Product Quality Law, producers shall be liable for the quality of the products they produce, and sellers shall also take measures to guarantee the quality of the products they sell.

On May 28, 2020, the NPC promulgated the Civil Code of the PRC (《中華人民共和國民法典》) (the **"Civil Code"**), which became effective on January 1, 2021. According to the Civil Code, a producer shall bear tort liability if its product causes damage to others due to a defect. If a defect is found in a product after it has been put into circulation, the producer and the seller shall take remedial measures in a timely manner including, inter alia, withdrawal from

sale, alerts and recalls. In the event of expanded damage arising from a failure to take remedial measures in a timely manner or inadequate remedial measures, the producer and the seller shall also bear tort liability.

Regulations Relating to Consumer Protection

On October 31, 1993, the SCNPC promulgated the Consumer Protection Law of the PRC (《中華人民共和國消費者權益保護法》) (the **"Consumer Protection Law"**). It was last amended by the SCNPC on October 25, 2013 and the latest amended version came into effect on March 15, 2014. Under the Consumer Protection Law, consumers have the inviolable right to personal and property safety when purchasing or using goods or receiving services, and may demand operators to provide safe goods or services.

Regulations Relating to Environmental Protection

The Ecological and Environmental Code of the People's Republic of China (《中華人民共和國生態環境法典》) (the "**Ecological and Environmental Code**") was promulgated on March 12, 2026, and came into force on August 15, 2026. Pursuant to the Law, the state shall implement a pollutant discharge permit administration system. Enterprises, public institutions and other producers and operators subject to such administration shall discharge pollutants in compliance with the requirements of their pollutant discharge permits; no entity may discharge pollutants without obtaining a pollutant discharge permit.

The Ecological and Environmental Code further stipulated that the state shall implement a classified management system for environmental impact assessments of construction projects based on the level of environmental impact caused by such projects. The project undertakers shall, in accordance with the relevant provisions, compile environmental impact statements, environmental impact reports or complete environmental impact registration forms.

On April 1, 2024, Ministry of Ecology and Environment promulgated the Measures for Pollutant Discharge Permitting Administration (《排污許可管理辦法》), which came into effect on July 1, 2024. On December 20, 2019, Ministry of Ecology and Environment promulgated the Classified Management List of Emission Permits for Fixed Pollution Sources (Version 2019) (《固定污染源排污許可分類管理名錄(2019年版)》). In accordance with the provisions of the aforementioned law and regulation, the State implements key management, simplified management and registration management of emission permits based on the amount of pollutants generated, the volume of pollutants discharged, and the degree of environmental hazards posed by the enterprises, public institutions and other business operators ("**Sewage discharging units**"). Sewage discharging units subject to registration management do not need to apply for a sewage discharge permit, and shall fill in the sewage discharge registration form on the national sewage discharge permit management information platform.

Additionally, under the Administrative Measures for the Permit of Discharge of Urban Sewage into the Drainage Network (《城鎮污水排入排水管網許可管理辦法》) last revised by the Ministry of Housing and Urban-Rural Development of the PRC on December 1, 2022 and effective on February 1, 2023, enterprises, institutions and individual industrial and commercial enterprises engaged in manufacturing, construction, catering and medical activities must obtain a sewage discharge permit before discharging sewage into urban drainage facilities.

Regulations Relating to Value-added Telecommunication Services

The State Council promulgated the Telecommunication Regulation of the PRC (《中華人民共和國電信條例》) on September 25, 2000, last amended on February 6, 2016. According to this Regulation, telecommunications business is divided into basic telecommunications services and value-added telecommunications services.

On March 1, 2009, the MIIT promulgated the Measures for the Administration of Telecommunications Business Licensing (《電信業務經營許可管理辦法》), which was latest amended on July 3, 2017 and came into effect on September 1, 2017. Under such Measures, telecommunications business may not be operated unless a legally business permit has been obtained. Business permits are categorized as Basic Telecommunications Business Permits and Value-Added Telecommunications Business Permits, with the latter valid for five years.

Regulations Relating to Online Retail Businesses

On August 31, 2018, the SCNPC issued the E-commerce Law of the PRC (《中華人民共和國電子商務法》) (the **"E-commerce Law"**), which became effective on January 1, 2019. Under the E-commerce Law, unless otherwise provided by law, e-commerce operators shall complete market entity registration in accordance with the law. On March 18, 2025, the SAMR issued the latest version of the Measures for the Supervision and Administration of Online Trading (《網絡交易監督管理辦法》), which came effective on May 1, 2025. Under the Measures, online trading operators engaging in business activities shall continuously publicize the information of business entities or a link to such information in a prominent position on the homepage of their websites or the main page of their business activities. Pursuant to the Provisions on the Administration of Information Services of Mobile Internet Apps (《移動互聯網應用程序信息服務管理規定》), which was lastly amended by the Cyberspace Administration of China (the "**CAC**") on August 1, 2022, an App provider shall be liable for the display of information content, refrain from generating or disseminating illegal information, and actively prevent and resist illegal or harmful information.

Regulations Relating to Advertisement

On October 27, 1994, the SCNPC promulgated the Advertising Law of the PRC (《中華人民共和國廣告法》) (the **"Advertising Law"**), which was lastly amended on April 29, 2021. According to the Advertising Law, advertisements shall not have any false or misleading content or defraud or mislead consumers. An advertiser shall be responsible for the veracity of contents of advertisement. Authorities may order false advertisements discontinued, require advertisers to eliminate adverse effects within the relevant scope, and impose fines. Operators or publishers that knew or should have known of the falsity may have their fees confiscated and be fined. Advertisers are civilly liable for consumers' losses, while relevant operators, publishers and endorsers may be jointly and severally liable by law. Advertisements involving prohibited circumstances under the Advertising Law may also be discontinued and penalized, including fines on advertisers and confiscation of fees and fines on operators and publishers. Serious violations may also result in the revocation of relevant licenses or business licenses.

According to the Measures for the Administration of Internet Advertisements (《互聯網廣告管理辦法》) effective from May 1, 2023, internet advertisements must be identifiable so that consumers can recognize them as advertisements. Commercial advertising that directly or indirectly promotes goods through Internet media, including video, is governed by the Advertising Law and the aforementioned measures. A seller whose online live streaming promotion constitutes a commercial advertisement assumes the responsibilities of an advertiser. Commissioned live streaming operators or marketing personnel providing advertising design, production, agency or publication services assume the responsibilities of advertising operators or publishers, as applicable. live streaming marketing personnel endorsing goods or services in their own name or image assume the responsibilities of advertising endorsers. Furthermore, under the Guiding Opinions of the State Administration for Market Supervision on Strengthening the Supervision of Online Live Streaming Marketing Activities (《關於加強網絡直播營銷活動監管的指導意見》) effective from November 5, 2020, business operators engaging in online live streaming marketing shall comply with relevant laws and regulations, and shall not sell prohibited goods/services, publish prohibited commercial advertisements, or trade items forbidden online via live streaming.

As advised by our PRC legal Advisor, the aforementioned laws and regulations on live streaming and online advertising are applicable to our business. Our daily operations include placing online advertisements and conducting live streaming activities. We exercise regular supervision over both the advertising content and livestreaming conduct to ensure compliance with the requirements of laws and regulations. Such supervision measures include, but are not limited to, reviewing advertising content prior to release, requiring employees engaged in livestreaming to refrain from activities prohibited by laws and regulations during the broadcasts, and replacing KOLs who fail to comply with applicable legal and regulatory requirements.

Regulations Relating to Labor

Labor Law and Labor Contract Law

The Labor Law of the PRC (《中華人民共和國勞動法》) was promulgated by the SCNPC, which was last amended on December 29, 2018 and became effective on the same date. According to the Law, the state adopts a standard work week where an employee shall not work for more than eight hours a day and no more than 44 hours a week on average. The state implements a system of guaranteed minimum wages, and the wages paid by employers to workers shall not be lower than the local minimum wage standard. The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) was first promulgated on June 29, 2007 by the SCNPC and was last amended on December 28, 2012 and enforced on July 1, 2013. It requires that employers shall establish and improve labor rules and regulations in accordance with the law to ensure that employees enjoy labor rights and perform labor obligations. When an employer establishes a labor relationship with an employee, a written labor contract shall be entered into.

Social Insurance and Housing Provident Fund

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated on October 28, 2010 and amended on December 29, 2018, and the Interim Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) recently amended by the State Council and effective on March 24, 2019, an employer is required to make contributions to social insurance schemes for its employees. If the employer fails to make social insurance contributions in full and on time, the social insurance authorities may demand the employer make payments or supplementary payments for the unpaid social insurance premium within a prescribed time limit together with a 0.05% surcharge of the unpaid social insurance premium from the due date. If the payment is not made within such time limit, the relevant administrative authorities will impose a fine ranging from one to three times the total outstanding amount.

On July 31, 2025, the PRC Supreme People's Court promulgated the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect on September 1, 2025. Such Interpretation stipulates that if an employer and an employee agree or the employee undertakes that social insurance premiums need not be paid, the court shall deem such agreement or undertaking invalid. Furthermore, where an employer fails to pay social insurance premiums in accordance with the law, and the employee seeks to terminate the labor contract and claims economic Compensation from the employer pursuant to the Labor Contract Law, the court shall support such claims in accordance with the law.

Pursuant to the Regulations on Management of Housing Provident Fund (2019 Revision) (《住房公積金管理條例(2019修訂)》), employers shall complete housing provident fund contribution registration with the housing provident fund management center and open housing provident fund accounts for employees. Within 30 days of hiring an employee, the employer shall complete contribution registration formalities and go through account opening or transfer procedures for the employee with the center. Employers failing to make contributions on time shall be ordered to pay arrears within a time limit; continued non-compliance will allow the center to apply to the people's court for enforcement.

Regulations Relating to Leasing

According to the Civil Code, the state implements a unified registration system for immovables. The Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》) was promulgated by Ministry of Housing and Urban-Rural Development on December 1, 2010, and came into effect on February 1, 2011. According to this Regulation, the parties to a house lease shall enter into a lease contract legally, a lessee may sublease the house only with the lessor's written consent, the parties shall complete lease registration and filing procedures with the local municipal, city or county construction (real estate) authority within 30 days of contract conclusion, and failure to comply will result in an order to rectify within a time limit, with fines of up to RMB1,000 for individuals and RMB1,000 to RMB10,000 for entities.

Regulations Relating to Fire Control

The Fire Control Law of the PRC (《中華人民共和國消防法》) (the **"Fire Control Law"**) was promulgated by the SCNPC on April 29, 1998, and newly amended on April 29, 2021. Pursuant to the Fire Control Law, construction or user entities must apply to the county-level or above local people's governments' fire rescue agencies for a fire safety inspection before public gathering places are put into use or operation. Unauthorized use or operation of such places without passing the inspection shall result in an order to suspend construction, use, production or operation and a fine of RMB30,000 to RMB300,000.

Regulations Relating to Anti-Unfair Competition

On September 2, 1993, the SCNPC promulgated the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) (the **"Anti-Unfair Law"**), which was lastly amended on June 27, 2025 and became effective on October 15, 2025. According to the Anti-Unfair Law, businesses shall, in their production and distribution activities, adhere to the free will, equality, fairness, and good faith principles, and abide by laws and business ethics, and participate in market competition fairly.

According to the Price Law of the PRC (《中華人民共和國價格法》) (the "**Price Law**"), promulgated by the SCNPC on December 29, 1997 and effective on May 1, 1998, business operators are prohibited from engaging in unfair pricing activities, including market price manipulation, below-cost dumping, manipulation of prices, price-based deception or misleading of consumers or other operators, and price discrimination. Any operator in violation of the Price Law shall be subject to administrative penalties.

Regulations Relating to Intellectual Property Protection

Trademarks

On August 23, 1982, the SCNPC promulgated the Trademark Law of the PRC (《中華人民共和國商標法》) (the **"Trademark Law"**), which was last amended by the SCNPC on April 23,2019 and the latest version became effective from November 1, 2019. On August 3, 2002, the State Council promulgated the Implementation Regulations of the Trademark Law (《中華人民共和國商標法實施條例》) (the **"Implementation Regulations of the Trademark Law"**), which was last amended by the State Council on April 29, 2014 and the latest version became effective from May 1, 2014.

According to the Trademark Law and the Implementation Regulations of the Trademark Law, the Trademark Office of National Intellectual Property Administration is responsible for the registration and administration of trademarks throughout the country. Registered trademarks are valid for ten years commencing from the date of registration, unless otherwise revoked by the Trademark Office.

Patents

The SCNPC promulgated the Patent Law of the PRC (《中華人民共和國專利法》) (the **"Patent Law"**), which was last amended by the SCNPC on October 17, 2020 and became effective from June 1, 2021. On December 12, 1992, the State Council promulgated the Implementation Rules of the Patent Law (《中華人民共和國專利法實施細則》) (the **"Implementation Rules of the Patent Law"**), which was last amended by the State Council on December 11, 2023 and took effect on January 20, 2024.

According to the Patent Law and the Implementation Rules of the Patent Law, the patent administrative department under the State Council is responsible for the administration of patent-related work nationwide. Invention patents are valid for twenty years, utility model patents for ten years and design patents for fifteen years, from the date of application, except where no annual fee for the patent has been paid as required, or the patent owner has given up its patent by a written declaration.

Copyrights

The SCNPC promulgated the Copyright Law of the PRC (《中華人民共和國著作權法》) (the **"Copyright Law"**), which was last amended on November 11, 2020 and the latest version became effective on June 1, 2021. On May 30, 1991, the State Council promulgated the Implementation Regulations of the Copyright Law (《中華人民共和國著作權法實施條例》) (the **"Implementation Regulations of the Copyright Law"**), which was last amended by the State Council on January 30, 2013 and took effect from March 1, 2013. The national copyright authority is responsible for copyright administration throughout the country.

The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》) (the **"Software Copyright Measures"**), promulgated by the National Copyright Administration and brought into effect on February 20, 2002, regulates the registration of software copyright, exclusive licensing contracts for software copyright and transfer contracts.

Domain Names

Domain names are protected by the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》), which was promulgated by the MIIT on August 24, 2017 and became effective on November 1, 2017. According to the Administrative Measures for Internet Domain Names, the domain name services follow the principle of "first apply, first register", and the applicants become domain name holders upon successful registration.

Regulations Relating to Data Security, Cybersecurity and Personal Information Protection

Cybersecurity and Data Security

The PRC regulatory authorities have enacted laws and regulations concerning internet information security and the protection of personal information against misuse or unauthorized disclosure, which include, for example, the Decisions on Protection of Internet Security (《全國人民代表大會常務委員會關於維護互聯網安全的決定》) enacted and amended by the NPCSC on December 28, 2000 and August 27, 2009, respectively, the Provisions on the Technical Measures for Internet Security Protection (《互聯網安全保護技術措施規定》) issued by the Ministry of Public Security (the "**MPS**") on December 13, 2005 and became effective on March 1, 2006, the Decision of the Standing Committee of the National People's Congress on Strengthening Network Information Protection (《全國人民代表大會常務委員會關於加強網絡信息保護的決定》) promulgated by the SCNPC on December 28, 2012, and the Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》) promulgated by the MIIT on December 29, 2011.

On June 22, 2007, the MPS, National Administration of State Secrets Protection and other governmental authorities issued the Administrative Measures for the Graded Protection of Information Security (《信息安全等級保護管理辦法》), which regulates that the security protection of an information system may be graded into five. For an information system of Grade II or above newly built, its operator or user shall complete the record filing procedures in accordance with the relevant requirements.

The CAC promulgated the Administrative Provisions on the Account Names of Internet User (《互聯網用戶賬號名稱管理規定》) on February 4, 2015 (which became effective on March 1, 2015) and the Administrative Provisions on the Account Information of Internet Users (《互聯網用戶帳號信息管理規定》) on June 27, 2022 (which became effective on August 1, 2022), which, amongst others, require internet information service providers implement security management responsibilities to prevent users from having illegal and bad information in the account registration information.

On July 1, 2015, the SCNPC issued the National Security Law of the People's Republic of China (《中華人民共和國國家安全法》), which came into effect on the same day, pursuant to which the State shall establish a national security review and supervision system to review, among other things, foreign investment, key technologies, internet and information technology products and services, and other important activities that are likely to impact the national security of the PRC.

On October 28, 2025, the SCNPC newly revised the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the **"Cybersecurity Law"**), which came into effect on January 1, 2026. According to the Cybersecurity Law, network operators shall fulfill their obligations to safeguard cybersecurity when conducting business and providing services. For the construction and operation of the network or the provision of services through the network, technical and other necessary measures shall be taken as required by law and the compulsory requirements of national standards to ensure the safe and stable operation of the network, respond to cybersecurity incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data. The revised Cybersecurity Law increases penalties under certain circumstances and expands extraterritorial application to activities outside the PRC that endanger the cybersecurity of the PRC.

The Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**") was released by the SCNPC on June 10, 2021 and became effective on September 1, 2021. The Data Security Law stipulates the measures to support and promote data security and development, to establish and optimize the national data security management system, and to clarify organizations' and individuals' responsibilities in data security. The Data Security Law introduces a data classification and hierarchical protection system. In addition, it clarifies that any organization or individual collecting data shall adopt lawful and proper methods and shall not acquire data by theft or in other illegal manners, and risk monitoring shall be strengthened when data processing activities are carried out, and where risks such as data security flaws and vulnerabilities are discovered, remedial measures shall be immediately taken.

On July 6, 2021, the General Office of the Central Committee of the Communist Party of China, and the General Office of the State Council jointly issued the Opinions on Strictly Combatting Illegal Securities Activities in Accordance with the Law (《關於依法從嚴打擊證券違法活動的意見》), emphasizing strengthening the regulation of illegal securities activities and supervision over overseas listings of domestic enterprises, and improving legislation on data security, cross-border data transmission and confidential information management.

On December 28, 2021, the CAC and certain other PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Revised Measures for Cybersecurity Review**"), which became effective on February 15, 2022. The Revised Measures for Cybersecurity Review provides that, among others, (i) a critical information infrastructure operator ("**CIIO**") purchasing network products and services or a

network platform operator that engages in data processing activities that affect or may affect national security shall be subject to the cybersecurity review by the Cybersecurity Review Office under the CAC; (ii) a network platform operator with personal information of more than one million users which seeks listing in a foreign country is obliged to apply for a cybersecurity review by the Cybersecurity Review Office; and (iii) the relevant regulatory authorities may initiate cybersecurity review if such regulatory authorities determine that the issuer's network products or services, or data processing activities affect or may affect national security.

The CAC promulgated the Measures for the Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》) (the "**Security Assessment Measures**"), which came into effect on September 1, 2022. The Security Assessment Measures applies to the security assessment conducted by data processors where they provide overseas recipients with important data or personal information collected and generated during operations within the PRC. Based on the Security Assessment Measures, data processors shall apply to the CAC for a security assessment of cross-border data transfer if such transfer is conducted by a CIIO, or involves important data, or their cross-border data transfer activities fulfill certain thresholds.

The MIIT promulgated the Administrative Measures on Data Security in the Field of Industry and Information Technology (Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》) (the "**MIIT Data Security Measures**"), which came into effect on January 1, 2023. The MIIT Data Security Measures applies to the data processing activities in the field of industry and information technology carried out within the territory of China, and sets out a series of data security protection obligations for data processors in such field, such as taking protective measures based on the corresponding grading of data, establishing a full life-cycle data security management system, appointing data security management personnel as needed, assisting the industrial administrative authorities with relevant work, and conducting filings for the important data and core data processed.

On March 22, 2024, the CAC promulgated the Provisions on Promoting and Regulating Cross-border Data Flow (《促進和規範數據跨境流動規定》), effective on the date of promulgation. The provisions provide exemptions from data security assessment, personal information protection certification, and standard contracts for outbound transfer of personal information. These exemptions include, among others, scenarios where a data processor, other than a CIIO, has cumulatively transferred personal information (excluding sensitive personal information) of fewer than 100,000 individuals to overseas recipients since January 1 of the current year. In addition, a data processor, other than a CIIO, shall enter into a standard contract with overseas recipients or obtain certification for personal information protection if, since January 1 of the current year, the data processor has cumulatively transferred to overseas recipients personal information (excluding sensitive personal information) of more than 100,000 but fewer than 1,000,000 individuals, or sensitive personal information of fewer than 10,000 individuals. The provisions also explicitly state that data processors are not required to apply for security assessment on cross-border transfer of important data, provided that the relevant data has not been notified or published as important data by relevant departments or regions.

On September 24, 2024, the State Council released the Administration Regulations on Cyber Data Security (《網絡數據安全管理條例》) (the "**Regulations on Cyber Data Security**"), which came into effect on January 1, 2025. According to the Regulations on Cyber Data Security, where network data processing activities carried out by a network data processor affect or may affect national security, national security review shall be conducted in accordance with the relevant provisions issued by the state. Furthermore, the Regulations on Cyber Data Security also provided other specific requirements on personal information protection, important data safety, cyber data cross-border safety management and obligations of network platform service provider.

Personal Information Protection

On July 16, 2013, the MIIT promulgated the Regulations on Protection of Personal Information of Telecommunications and Internet Users (《電信和互聯網用戶個人信息保護規

定》), which came into effect on September 1, 2013, to enhance and enforce legal protection over user information security and privacy on the internet. The Regulations on Protection of Personal Information of Telecommunications and Internet Users require internet service providers to take various measures to ensure the security of users' information.

On August 29, 2015, the SCNPC issued the Ninth Amendment to the Criminal Law of the People's Republic of China (《中華人民共和國刑法修正案(九)》), which became effective on November 1, 2015, and stipulates that any person or organization that violates relevant state regulations by selling or providing citizens' personal information to others or obtaining citizens' personal information will be subject to criminal penalty in serious cases. The Notice of the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security on Legally Punishing Criminal Activities Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院、公安部關於依法懲處侵害公民個人信息犯罪活動的通知》), issued on April 23, 2013, and the Interpretation of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues regarding Legal Application in Criminal Cases Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋》) issued on May 8, 2017 further clarifies the definitions of certain concepts and specifies certain standards for the conviction and sentencing in respect of the crimes in relation to personal information infringement.

Pursuant to the Announcement of Conducting Special Supervision against the Illegal Collection and Use of Personal Information by Apps (《關於開展App違法違規收集使用個人信息專項治理的公告》), which was issued by the Central Cyberspace Affairs Commission, the MIIT, the MPS, and the SAMR on January 23, 2019, restating the regulatory requirements for personal information collection and use. On November 28, 2019, the CAC, the MIIT, the MPS and the SAMR jointly issued the Methods of Identifying Illegal Acts to Collect and Use Personal Information by Apps (《App違法違規收集使用個人信息行為認定方法》), which further illustrates certain common illegal practices and acts that will be considered as "collection and use of personal information without users' consent". On July 22, 2020, the MIIT issued the Notice on Carrying out Special Rectification Actions in Depth against the Infringement upon Users' Rights and Interests by Apps (《關於開展縱深推進APP侵害用戶權益專項整治行動的通知》), which lists four types of illegal collection and usage of personal information. On March 12, 2021, the CAC, the MIIT, the MPS, and the SAMR jointly issued the Circular on Issuing the Rules on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications (《關於印發〈常見類型移動互聯網應用程序必要個人信息範圍規定〉的通知》), which clarifies the definition and scope of "Applications", as well as the scope of necessary personal information for common types of Applications. On February 6, 2023, the MIIT promulgated the Notice on Further Improving the Service Capabilities of Mobile Internet Applications (《關於進一步提升移動互聯網應用服務能力的通知》), which emphasizes enhanced transparency in personal information processing such as setting out specific requirements on the text of personal information processing rules.

Pursuant to the Civil Code, which was promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, the personal information of a natural person shall be protected by the law. Any organization or individual that needs to obtain personal information of others shall obtain such information legally and ensure the safety of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase or sell, provide or make public personal information of others.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**PIPL**") was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021.

Pursuant to the PIPL, the processing of personal information shall be conducted based on consent of relevant individuals or otherwise permitted by laws and regulations, and before processing personal information, personal information processors should truthfully, accurately and completely inform individuals of requisite matters in a conspicuous manner and in clear and easy-to-understand language. Personal information processors should also

take the following measures to ensure that personal information processing activities comply with laws and administrative regulations and to prevent unauthorized access and personal information leakage, tampering and loss: (i) formulating internal management systems and operating procedures; (ii) implementing classified management of personal information; (iii) adopting corresponding security technical measures such as encryption and de-identification; (iv) reasonably determining the operating authority for personal information processing, and regularly conduct safety education and training for practitioners; (v) formulating and organizing the implementation of emergency plans for personal information security incidents; and (vi) other measures stipulated by laws and administrative regulations.

Where personal information is processed in violation of the provisions of the PIPL, or the processing of personal information fails to fulfill the personal information protection obligations hereunder, the department performing personal information protection duties shall order corrections, give warnings, confiscate illegal gains, and order to suspend or terminate the provision of services by the applications that illegally process personal information; if the personal information processor refuses to make corrections, a fine of not more than RMB1 million shall be imposed; the directly responsible person in charge and other directly responsible personnel shall be fined not less than RMB10,000 but not more than RMB100,000. For any aforesaid illegal act with serious circumstances, the competent authority may impose more stringent penalties.

On February 22, 2023, the CAC promulgated the Measures for the Administration of Standard Contractual Clauses for the Cross-Border Transfer of Personal Information (《個人信息出境標準合同辦法》), which became effective on June 1, 2023 and provides requirements and guidelines for personal information processors in respect of their entry into a contract for outbound transfer of personal information abroad and the relevant filing procedures.

On February 12, 2025, the Administrative Measures for the Compliance Audit of Personal Information Protection (《個人信息保護合規審計管理辦法》), was promulgated by the CAC, which became effective on May 1, 2025. According to the Administrative Measures for the Compliance Audit of Personal Information Protection, personal information processors that process the personal information of more than 10 million individuals shall carry out the compliance audit of personal information protection at least every two years. Personal information processors in any of the following circumstances may be required by the CAC and other authorities performing personal information protection duties to entrust a professional agency to conduct a compliance audit of their personal information processing activities: (1) where significant risks are identified in the personal information processing activities that severely impact individual rights or lack adequate security measures; (2) where the personal information processing activities may infringe upon the rights and interests of a large number of individuals; (3) in the event of a personal information security incident resulting in the leakage, tampering, loss, or destruction of personal information of more than 1 million individuals or sensitive personal information of more than 100,000 individuals.

Regulations Relating to Foreign Exchange

On January 29, 1996, the State Council promulgated the Administrative Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Regulation**"), which was lastly amended on August 5, 2008. According to the Foreign Exchange Regulation, the foreign exchange administration department under the State Council supervises and administers the national foreign exchange market in accordance with the law, and stipulates the currency and form of foreign exchange market transactions. Except as otherwise provided by laws and regulations, the circulation of foreign currency is prohibited within the territory of the PRC, and settlement in foreign currency is prohibited. Foreign exchange items can be classified into current account items and capital account items.

The SAFE promulgated the Notice on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) on March 30, 2015, which came into effect on June 1, 2015,

partially repealed in 2019 and updated on March 23, 2023. According to the Notice on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises, foreign exchange capital funds of foreign-invested enterprises shall be settled based on discretion, and the proportion shall be tentatively set at 100%. While implementing the discretionary settlement of foreign exchange capital, foreign-invested enterprises can still choose to use their foreign exchange capital in accordance with the foreign exchange payment and settlement system.

On June 9, 2016, the SAFE issued the Notice on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《關於改革和規範資本項目結匯管理政策的通知》). The notice stipulates that the RMB funds obtained from the discretionary settlement of foreign exchange income of domestic institutions are included in the accounts for pending foreign exchange settlements, and the foreign exchange income from capital account items of domestic institutions and the RMB funds obtained from foreign exchange settlement shall be used within the business scope under the authenticity and self-use principles.

On October 23, 2019, the SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》). The notice canceled restrictions on domestic equity investments made with capital funds by non-investing foreign-invested enterprises, and allowed non-investment foreign-invested enterprises to make domestic equity investments with capital funds in accordance with the law provided that they do not violate the current special administrative measures for foreign investment access (negative list) and that the domestic investment projects are true and compliant.

According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《關於優化外匯管理支持涉外業務發展的通知》) issued by the SAFE on April 10, 2020 and became effective on June 1, 2020, the reform of facilitating receipts and payments under capital accounts shall be popularized nationwide. Eligible enterprises are allowed to make domestic payments by using their capital, foreign credits and the income under capital accounts of overseas listing, with no need to provide the evidentiary materials concerning authenticity of such capital for banks in advance, provided that their capital use shall be authentic and in line with provisions, and conform to the prevailing administrative regulations on the use of income under capital accounts.

Regulations Relating to Taxes

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 "**Enterprise Income Tax Law**") was first promulgated by the NPC on March 16, 2007 and last amended by the SCNPC on December 29, 2018 and became effective on the same date. The Implementing Regulation of the Enterprise Income Tax Law (《中華人民共和國企業所得稅法實施條例》) (the **"Implementing Regulation of Enterprise Income Tax Law"**) was first promulgated by the State Council on December 6, 2007, last revised on December 6, 2024 and took effect on January 20, 2025. Pursuant to the above Law and the Implementing Regulation, enterprises are divided into resident enterprises and non-resident enterprises. Enterprise income tax shall be payable by a resident enterprise for income derived from or accruing in or outside the PRC. Enterprise income tax shall be payable by a non-resident enterprise, for income derived from or accruing in the PRC by its office or premises established in the PRC, and for income derived from or accruing outside the PRC with which the established office or premises has a de facto relationship. The enterprise income tax rate is 25%, but if a non-resident enterprise has no establishment or place in China, or has an establishment or place but its income has no actual connection with the establishment or place, the applicable tax rate is 20%.

The Notice on Issues Concerning the Recognition of Overseas Registered Chinese-funded Holding Enterprises as Resident Enterprises Based on the Standards of Actual Management Agency (《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》), which was partially revised on December 29, 2017, where an overseas Chinese-funded enterprise concurrently meets the relevant conditions prescribed by law, it shall be determined to be a resident enterprise in China with actual management agency to which corresponding tax arrangement shall apply, and enterprise income tax shall be levied on its income derived from within and outside China.

VAT

The VAT Law of the PRC (《中華人民共和國增值税法》) was promulgated by the SCNPC on December 25, 2024, which became effective on January 1, 2026. According to the VAT Law of the PRC, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, or immovables, or import goods within the territory of the PRC are taxpayers of VAT, and shall pay VAT in accordance with this Law.

Dividends and Taxes

The main laws, rules and regulations governing the dividend distribution by foreign-invested enterprises in China are the Foreign Investment Law and its implementing regulations, and the PRC Company Law. Under these provisions, foreign-invested enterprises may only distribute dividends from accumulated profits (if any) calculated in accordance with PRC accounting standards and regulations. An enterprise in China shall allocate at least 10% of its after-tax accumulated profits (if any) as statutory surplus reserve annually until the cumulative amount of such reserve reaches 50% of the enterprise's registered capital. No profit distribution shall be made until prior fiscal year losses are offset. Both retained profits from prior fiscal years and distributable profits of the current fiscal year are distributable.

Pursuant to the Enterprise Income Tax Law and the Implementing Regulation of Enterprise Income Tax Law, a 10% enterprise income tax rate generally applies to dividends paid to non-resident enterprise shareholders who have no establishment or place in the PRC, or have an establishment or place but the relevant income is not actually connected thereto (where such dividends are derived from PRC). This shall not apply if the jurisdiction of incorporation of the non-resident enterprise shareholder has entered into a tax treaty with China providing for preferential withholding tax arrangements.

Regulations Relating to Overseas Listing

On February 17, 2023, the China Securities Regulatory Commission (the **"CSRC"**) promulgated the Trial Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》), which became effective on March 31, 2023. Pursuant to the Measures, the CSRC shall, in accordance with the law, supervise and regulate the overseas offering and listing activities by domestic enterprises. In the case of the direct overseas offering and listing by a domestic enterprise, the issuer shall file with the CSRC. In the case of the indirect overseas offering and listing by a domestic enterprise, the issuer shall designate a major domestic operating entity as the domestic responsible person and file with the CSRC. The recognition of the indirect overseas offering and listing by a domestic enterprise follows the principle of substance over form.

If a domestic enterprise fails to fulfill the filing procedures, or if there are conditions that prohibit the overseas offering and listing by such domestic enterprise, and the enterprise proceeds with overseas offering and listing, the CSRC shall order it to make corrections, issue a warning to it, and impose a fine.

The Provisions on Strengthening Confidentiality and Archives Administration for Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) issued by the CSRC, the Ministry of Finance, the National Administration of State Secrets Protection and the National Archives

Administration on February 24, 2023, which came into effect on March 31, 2023, state that, in the course of overseas offering and listing activities by a domestic enterprise, the domestic enterprise, as well as the securities firms and securities service providers that provide corresponding services, shall establish a sound confidentiality and archive work system, take necessary measures to implement the responsibility of confidentiality and archive management, and shall not disclose state secrets and working secrets of state organs.

B. HONG KONG LAWS AND REGULATIONS

Laws Relating to Our Business

Public Health and Municipal Services Ordinance

Section 50 of the Public Health and Municipal Services Ordinance (Chapter 132 of the Laws of Hong Kong) (the "**Public Health Ordinance**") prohibits the manufacturing, advertising and sale of food that is injurious to human health. Violators are liable to a maximum penalty of HK$10,000 and imprisonment for three months.

Section 52 of the Public Health Ordinance provides that, subject to the defenses in section 53, any seller who sells food which is not of the nature, substance or quality demanded by the purchaser is guilty of an offense, and is liable to a maximum penalty of HK$10,000 and imprisonment for three months.

Section 54 of the Public Health Ordinance provides that any person who sells or offers for sale any food unfit for, human consumption shall be guilty of an offense, and liable to a fine of HK$50,000 and imprisonment for six months.

Section 61 of the Public Health Ordinance provides that any person who provides any food with a label, or publishes or is a party to the publication of an advertisement, which falsely describes any food or is likely to mislead as to its nature, substance or quality shall be guilty of an offense, and liable to a maximum fine of HK$50,000 and imprisonment for six months.

Food Business Regulation

Section 31(1) of the Food Business Regulation (Chapter 132X of the Laws of Hong Kong) (the "**Food Business Regulation**") provides that no person shall operate any food factory business except with a license. The FEHD may grant a provisional food factory license to a an applicant who has fulfilled the basic requirements, pending fulfillment of all outstanding requirements for a full license.

Section 30(1) of the Food Business Regulation provides that any person who intends to sell any restricted foods specified in schedule 2 must obtain the permission in writing from the Director of Food and Environmental Hygiene.

Section 35 of the Food Business Regulation provides that any person violating section 31(1) is guilty of an offense, and liable to a fine of HK$50,000 (plus a daily fine of HK$900 for a continuing offenses) and imprisonment for up to six months.

Food and Drugs (Composition and Labeling) Regulations

Regulation 3 of the Food and Drugs (Composition and Labeling) Regulations (Chapter 132W of the Laws of Hong Kong) (the "**Food and Drugs Regulations**") provides that food manufacturing shall adhere to the standards specified under schedule 1 thereto, failing which the offender is liable to a maximum fine of HK$50,000 and to imprisonment for six months.

Regulation 4A of the Food and Drugs Regulations requires all prepackaged food (except those listed in schedule 4 thereto) to be marked and labeled as prescribed in schedule 3 to thereto, including but not limited to the product's name or designation, ingredients,

expiry date, special storage conditions or instruction for use, manufacturer's or packer's name and address, and count, weight or volume. Violation may result in a conviction carrying a maximum penalty of HK$50,000 and imprisonment for six months.

In accordance with Regulation 4B of the Food and Drugs (Composition and Labeling) Regulations, pre-packaged food sold by our Group should be marked with its energy value and nutrient content as prescribed in part 1 of schedule 5 thereto, and nutrition claims, if any, made on the label or in any advertisement for the product should comply with part 2 of schedule 5 thereto. Contravention may result in a maximum penalty of HK$50,000 and imprisonment for six months.

Food Safety Ordinance

Sections 4 and 5 of the Food Safety Ordinance (Chapter 612 of the Laws of Hong Kong) provide that, except for holders of food factory licenses, food importers and food distributors must register with the FEHD. Contravention may result in a conviction carrying a maximum penalty of HK$50,000 and imprisonment for six months.

Further, food importers, food distributors and all other persons who acquire food in the course of business shall keep records to enhance traceability, including the date of acquisition; (b) the name and contact details of the supplier; (c) the total quantity of the food; and (d) a description of the food.

All records must be kept for three months for food with a shelf-life of three months or less and 24 months for food with a shelf-life exceeding three months. Contravention may result in a conviction carrying a maximum penalty of HK$10,000 and imprisonment up to three months.

Import and Export Ordinance

Under the Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong), the importation of frozen meat, chilled meat, frozen poultry or chilled poultry requires an import license issued by the FEHD. Section 6C thereof provides that contravention may result in a conviction carrying a maximum penalty of HK$500,000 and imprisonment for two years. An import license is normally valid for one shipment only and for up to six weeks from issuance.

Imported Game, Meat, Poultry and Eggs Regulations

Regulation 4(1)(a) of the Imported Game, Meat, Poultry and Eggs Regulations (Chapter 132AK of the Laws of Hong Kong) (the "**Imported Food Regulations**") provides that the importation of meat, poultry or eggs requires a health certificate issued by an issuing entity recognized by the Director of FEHD.

Regulation 4(3) of the Imported Food Regulations provides that the FEHD may require importer to submit the food for inspection on arrival; and impose conditions or issue directions as he may consider desirable for ensuring fitness for human consumption.

Preservatives in Food Regulation

Section 3 of the Preservatives in Food Regulation (Chapter 132BD of the Laws of Hong Kong) prohibits the importation, manufacturing or sale of any food that contains a food additive other than those permitted under schedule 1 thereto, provided the additives level does not exceed the maximum permitted level.

Sections 5 and 6 thereof prohibits the sale of any food preservative or antioxidant or food containing permitted preservative or permitted antioxidant unless the container bears a label in accordance with schedule 2 thereto.

Section 9 thereof provides that contravention of section 3, 5 or 6 thereof may result in a conviction carrying a maximum penalty of HK$50,000 and imprisonment for six months.

Trade Descriptions Ordinance

Section 2 of the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) (the "**Trade Descriptions Ordinance**") provides that "trade description" in relation to goods means an indication, direct or indirect, and by whatever means given, of certain matters (including quantity, composition, fitness for purpose, price, place or date of manufacture, etc.); and in relation to services means an indication, direct or indirect, and by whatever means given, of certain matters (including nature, scope, quantity, fitness for purpose, availability, price, etc.).

Sections 7 and 7A of the Trade Descriptions Ordinance provide that no person shall in the course of trade or business apply a false trade description to any goods or services with false trade descriptions applied thereto.

Sections 13E, 13F, 13G, 13H and 13I thereof further provide that a trader who engages toward a consumer in a commercial practice that (i) is a misleading omission; or (ii) is aggressive; (iii) constitutes bait advertising; (iv) constitutes a bait and switch; or (v) constitutes wrongly accepting payment for a product, commits an offense.

Section 18 of the Trade Descriptions Ordinance provides that a person who commits an offense under sections 7, 7A, 13E, 13F, 13G, 13H or 13I, is liable to a maximum penalty of HK$500,000 and imprisonment for five years.

Sale of Goods Ordinance

The Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong) (the "**Sale of Goods Ordinance**") regulates the scope of certain implied terms conditions and warranties relating to the safety and suitability of goods supplied under a the sale of goods contract. The warranties include that goods sold must be of merchantable quality, i.e. free from defects, safe and durable. If the seller breaches a warranty, the buyer may claim a price reduction or sue the seller for damages for the breach of warranty, but cannot reject the goods on that ground alone.

Trade Marks Ordinance

Sections 10 and 14 of the Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong) (the "**Trade Marks Ordinance**") confer on the owner of a registered trademark exclusive property rights therein, effective from the date of registration.

Subject to the exceptions under sections 19 to 21 of the Trade Marks Ordinance, any use of registered trademarks by third parties without the owner's consent is an infringement. Section 18 thereof specifies the conducts which amount to infringement of the registered trademarks. The owner of the registered trademark is entitled to remedies under the Trade Marks Ordinance, such as infringement proceedings under in sections 23 and 25 of the Trade Marks Ordinance.

Trademarks not registered under the Trade Marks Ordinance and the Trade Marks Rules (Chapter 559A of the Laws of Hong Kong) may be protected by the common law action of passing off, which requires proof of the owner's reputation in the unregistered trademark and that third party-use will cause damage to the owner.

Personal Data (Privacy) Ordinance

Under section 2 of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) (the "**PDPO**"), personal data refers to any data (i) relating directly or indirectly to a living individual; (ii) from which it is practicable for the individual to be directly or indirectly ascertained; and (iii) in a form in which access to or processing of the data is practicable.

The PDPO sets out six principles for all data users:

Principle 1 – Purpose and manner of collection: Personal data should be collected lawfully and fairly, for a lawful purpose directly related to a function or activity of the data user. The data collected should be necessary, adequate but not excessive. The data subject should be informed of the purpose and the classes of persons to whom the data may be transferred.

Principle 2 – Accuracy and duration of retention: Practicable steps shall be taken to ensure that the accuracy of personal data and that data is not kept longer than is necessary.

Principle 3 – Use of personal data: Unless the data subject consents, personal data must only be used for the purpose collected or for a directly related purpose.

Principle 4 – Security of personal data: Practicable steps shall be taken to ensure protection against unauthorized or accidental access, processing, erasure, loss or use.

Principle 5 – Information to be generally available: Practicable steps shall be taken to ensure that information policies and practices are generally available to the public regarding the types of personal data it holds and the main purposes for which the personal data is used.

Principle 6 – Access to personal data: Data subjects must be given access to their personal data and allowed to request corrections. Under section 38 of the PDPO, the Privacy Commissioner for Personal Data may carry out an investigation against a data user upon a complaint or if he has reasonable grounds to believe that the PDPO has been contravened. The Commissioner may then issue an enforcement notice after an investigation to direct remedial action. Non-compliance with such notice commits an offense and is liable, on first conviction, to a level 5 fine of HK$50,000 and imprisonment for 2 years.

Laws Relating to Labor, Health and Safety

Employment Ordinance

Pursuant to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), an employee is generally entitled to, amongst other things, notice of termination of his employment contract; payment in lieu of notice; maternity protection for pregnant employees; at least one rest day in every seven days; severance or long service payments; sickness allowance; statutory holidays or alternative holidays; and paid annual leave of up to 14 days depending on the length of employment.

Employees' Compensation Ordinance

Pursuant to the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), if an employee is injured or dies as a result of an accident arising out of and in the course of employment, the employer is generally liable to pay for the compensation even if the employee was at fault. Under section 32 thereof, an employee who suffers incapacity or dies from an occupational disease is entitled to receive the same compensation as for occupational accidents. Further, section 40 thereof provides that an employer must have an insurance policy for each employee for an amount not less than that specified in the Employees' Compensation Ordinance. Pursuant to the Fourth Schedule thereto, the insured amount shall be not less than HK$100,000,000 per event if a company has 200 or fewer employees.

Inland Revenue Ordinance

Pursuant to the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), provides that profits tax shall be charged on assessable profits arising in or derived from Hong Kong at the standard rate. Every such person must keep sufficient records of his income and expenditure and shall retain such records for a period of at least seven years.

Minimum Wage Ordinance

Pursuant to the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong) (the "**Minimum Wage Ordinance**"), the minimum hourly wage rate is HK$43.1 for employee employed under the Employment Ordinance. Any contractual provision which purports to extinguish or reduce the right, benefit or protection conferred on the employee by the Minimum Wage Ordinance is void.

Mandatory Provident Fund Schemes Ordinance

Pursuant to the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong), employers are required to enroll their regular employees (except for certain exempt persons) aged between at least 18 to 65 and employed for 60 days or more in a Mandatory Provident Fund ("**MPF**") scheme within the first 60 days of employment. Under the MPF scheme, an employer and its employees each contribute 5% of the employee's monthly relevant income as mandatory contribution, subject to the minimum and maximum relevant income levels. For a monthly-paid employee, the current minimum and maximum relevant income levels are HK$7,100 and HK$30,000, respectively.

Occupational Safety and Health Ordinance

Section 6 of the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) (the "**Occupational Safety and Health Ordinance**") provides that employers must as far as reasonably practicable ensure workplace safety and health by: a) providing and maintaining safe plant and systems of work without risks to health; b) making arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances; c) providing such information, instruction, training and supervision as necessary for ensuring safety and health at work; d) providing and maintaining safe means of access to and egress from the workplace without any such risks; and e) providing and maintaining a safe working environment for the employees without risks to health. Contravention may result in a conviction carrying a maximum penalty of HK$10,000,000 and imprisonment for two years.

Section 9 of the Occupational Safety and Health Ordinance provides that the Commissioner for Labor may also issue improvement notices against non-compliance with this ordinance or the Factories and Industrial Undertakings Ordinance (Chapter 59 of the Laws of Hong Kong), and suspension notices against activities posing imminent risk of death or serious bodily injury to the employees. Failure to comply carries a fine of HK$400,000 and imprisonment for up to 12 months.

Section 6A of the Factories and Industrial Undertakings Ordinance states that a proprietor of a relevant undertaking must ensure the safety and health at work of all his employees. Contravention is an offense punishable by a fine of up to HK$10,000,000 and imprisonment for two years.