

REGULATORY OVERVIEW

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

LAWS AND REGULATIONS ON FOREIGN INVESTMENT

In accordance with the Company Law of the PRC (《中華人民共和國公司法》) (the “**Company Law**”) promulgated by the Standing Committee of the National People’s Congress (the “**SCNPC**”) on 29 December 1993, last amended on 29 December 2023, and effective as of 1 July 2024, companies are generally divided into two types, namely limited liability companies and companies limited by shares. The company is an enterprise legal person with independent legal person property and enjoys the rights to legal person property. The Company Law is also applicable to foreign-invested limited liability companies and companies limited by shares.

On 15 March 2019, the National People’s Congress 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 1 January 2020, replacing the Law of the PRC on Chinese-Foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law of the PRC on Chinese-Foreign Contractual Joint Ventures (《中華人民共和國中外合作經營企業法》) and the Law of the PRC on Wholly Foreign-Owned Enterprises (《中華人民共和國外資企業法》). The Foreign Investment Law establishes a basic framework for the access, promotion, protection and management of the foreign investment to promote investment protection and fair competition. According to the Foreign Investment Law, China adopts a management system of pre-establishment national treatment plus a negative list for foreign investment. To further clarify and elaborate on the Foreign Investment Law, the State Council promulgated the Implementation Regulations for the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the “**Implementation Regulations for the Foreign Investment Law**”) on 26 December 2019, effective 1 January 2020, further clarifying that the state encourages and promotes foreign investment, protects the lawful rights and interests of foreign investors, regulates the administration of foreign investment, continuously optimizes the foreign investment environment, and promotes opening up at a higher level.

On 6 September 2024, the NDRC and the Ministry of Commerce jointly promulgated the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**2024 Negative List**”), which became effective on 1 November 2024. According to the Foreign Investment Law, the Implementation Regulations for the Foreign Investment Law, and the 2024 Negative List, foreign investors are prohibited from investing in the areas prohibited by the 2024 Negative List. For areas where investment is restricted by the 2024 Negative List, foreign investors shall meet the restrictive access special administrative measures specified in the Negative List, such as equity requirements and senior management requirements. Fields not included in the 2024 Negative List shall be subject to administration pursuant to the principle of equal treatment for domestic and foreign investments.

Pursuant to the 2024 Negative List and the Encouraged Industries Catalogue for Foreign Investment (2025 Edition) jointly promulgated by the NDRC and the Ministry of Commerce on 15 December 2025, which took effect on 1 February 2026, the Group’s business does not involve industries that are either encouraged or prohibited for foreign investment. In accordance with the 2024 Negative List, the market research conducted by the Group is permitted for Sino-foreign equity joint ventures; and the value-added telecommunications services (internet information services) conducted by the Group’s subsidiary Wuxi Chulei are subject to a foreign investment ratio that shall not exceed 50%.

On 30 December 2019, the Ministry of Commerce and the State Administration for Market Regulation jointly promulgated the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), effective 1 January 2020. According to the Measures,

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foreign investors carrying out investment activities in China directly or indirectly shall submit investment information to the commerce administrative authorities.

LAWS AND REGULATIONS ON FOREIGN-RELATED SURVEYS

Given that the Group engages in foreign-related market research, it is required to comply with the following laws and regulations governing foreign-related surveys.

According to the Administrative Measures on Foreign-related Surveys (《涉外調查管理辦法》) promulgated by the National Bureau of Statistics on 13 October 2004, and effective on the same day, foreign-related market surveys must be conducted through foreign-related survey institutions, and foreign-related social surveys must be submitted for approval through foreign-related survey institutions. Overseas organizations and individuals are prohibited from conducting market surveys and social surveys directly within China, and are prohibited from conducting market surveys and social surveys through institutions that have not obtained a foreign-related survey license. The National Bureau of Statistics and the statistical institutions of the people’s governments of provinces, autonomous regions, and municipalities directly under the Central Government are responsible for the qualification accreditation of institutions applying for a foreign-related survey license. No individual or organization that has not obtained a foreign-related survey license may conduct foreign-related surveys in any form. The institution applying for a foreign-related survey license shall apply to the National Bureau of Statistics if its survey scope spans across the administrative regions of provinces, autonomous regions, or municipalities directly under the Central Government; if the survey scope is limited to the administrative region of a province, autonomous region, or municipality directly under the Central Government, it shall apply to the statistical institution of the people’s government of that province, autonomous region, or municipality directly under the Central Government.

According to the 2024 Negative List, market surveys are restricted to Sino-foreign equity joint ventures, and foreign investment in social surveys is prohibited.

LAWS AND REGULATIONS ON VALUE-ADDED TELECOMMUNICATION SERVICES AND INTERNET CONTENT SERVICES

Wuxi Chulei engages in the provision of commodity supply and procurement information release services. This service falls under the category of for-profit Internet information service within the second-class value-added telecommunications businesses. As such, it must comply with the following relevant regulations concerning value-added telecommunications businesses and Internet content services.

Value-added Telecommunication Services

According to the Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the “**Telecommunications Regulations**”) promulgated by the State Council on 25 September 2000, last amended on 6 February 2016, and effective on the same day, telecommunications services are divided into basic telecommunications services and value-added telecommunications services. According to the Telecommunications Regulations, value-added telecommunications business operators must first obtain a Value-added Telecommunication Business Operation License issued by the Ministry of Industry and Information Technology of the PRC (the “**MIIT**”) or the provincial competent authorities. The Administrative Measures for Telecommunications Business Operating Licenses (《電信業務經營許可管理辦法》) promulgated by the MIIT on 1 March 2009, last amended on 3 July 2017, and effective on 1 September 2017, provide more specific provisions on the types of licenses required to operate value-added telecommunications businesses, the qualifications and procedures for obtaining the relevant licenses, and the supervision of the licenses.

The Catalog of Telecommunications Services (《電信業務分類目錄》), issued as an appendix to the Telecommunications Regulations and last revised on 6 June 2019, classifies value-added telecommunications services into Category I and Category II value-added telecommunications

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services. Among them, Category I value-added telecommunications services include Internet Data Center services, Content Delivery Network services, Domestic Internet Virtual Private Network services, and Internet Access services; Category II value-added telecommunications services include Online Data Processing and Transaction Processing services, Domestic Multi-party Communication services, Store-and-Forward services, Call Center services, Information services, and Code and Protocol Conversion services. According to the Catalog of Telecommunications Services, Online Data and Transaction Processing services refer to the provision of online data processing and transaction/affairs processing services to users through public telecommunications networks or the Internet by utilizing various data and transaction/affairs processing application platforms connected to public telecommunications networks or the Internet. Online Data and Transaction Processing services include transaction processing services, electronic data interchange services, and network/electronic equipment data processing services; Information services refer to the provision of voice information services (audiotex services) or online information and data retrieval and other information services directly to end-users through public telecommunications networks such as fixed networks, mobile networks, or the Internet, through information collection, development, processing, and the construction of information platforms.

According to the Administrative Regulations on Foreign-invested Telecommunications Enterprises (《外商投資電信企業管理規定》) promulgated by the State Council on 11 December 2001, last amended on 29 March 2022, and effective on 1 May 2022, and the 2024 Negative List, for value-added telecommunications business areas opened according to China’s WTO commitments, the foreign investment ratio in value-added telecommunications business enterprises (excluding e-commerce, domestic multi-party communication services, store-and-forward, and call center businesses) shall not exceed 50%, and any domestic enterprise engaged in basic telecommunications business must be controlled by the Chinese party. According to the Announcement of the Ministry of Industry and Information Technology on Lifting Foreign Shareholding Restrictions in Online Data Processing and Transaction Processing Business (E-commerce for Operating Purposes) (《工業和信息化部關於放開在線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》) promulgated by the MIIT on 19 June 2015, and effective on the same date, the foreign shareholding ratio in Online Data Processing and Transaction Processing business (e-commerce for operating purposes) can be up to 100%.

Internet Information Services

According to the Catalog of Telecommunications Services, information services are Category II value-added telecommunications services. According to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) promulgated by the State Council on 25 September 2000, last amended on 6 December 2024, and effective on January 20, 2025, “Internet information services” refer to service activities that provide information to Internet users through the Internet and are classified as “for-profit Internet information services” and “non-for-profit Internet information services”. For-profit Internet information service providers shall obtain an Internet Information Service Value-added Telecommunication Business Operating License (the “**ICP License**”) from the relevant government department before operating any for-profit Internet information service. If a provider provides Internet information only on a non-for-profit basis, it does not need to obtain an ICP License. According to the Administrative Measures for Telecommunications Business Operating Licenses, the ICP License is valid for five years and can be renewed within 90 days before its expiry. In addition, the provision of for-profit Internet information services through mobile Internet applications is regulated by the Administrative Provisions on Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》) promulgated by the Cyberspace Administration of China on 28 June 2016, last amended on 14 June 2022, and effective on 1 August 2022. Mobile Internet application information service providers shall comply with the provisions of these

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regulations, including obtaining qualifications required by laws and regulations and ensuring information security.

Regulations on the Application of Artificial Intelligence Technologies

On 1 September 2025, we launched the Xiaozhuo AI Intelligent Conversation Assistant (ai.sci99.com) on the Sci99 website, primarily applied in text generation scenarios, generating commodity industry-related text content based on user input. Accordingly, we are subject to the following regulations on the application of artificial intelligence technologies.

On 31 December 2021, the Cyberspace Administration of China (“CAC”), the Ministry of Industry and Information Technology (“MIIT”), the Ministry of Public Security and the State Administration for Market Regulation (“SAMR”) jointly promulgated the Administrative Provisions on Recommendation Algorithms in Internet-based Information Services (《互聯網信息服務算法推薦管理規定》), which became effective on 1 March 2022. According to these provisions, the application of algorithm recommendation technology refers to the use of algorithm technologies such as generative synthesis, personalized push, ranking and selection, retrieval filtering, and scheduling decision-making to provide information to users. These provisions clarify the information service specifications for algorithm recommendation service providers, including implementing primary responsibility for algorithm security, establishing and improving management systems and technical measures for user registration, data security and personal information protection, and emergency response to security incidents, among others. Furthermore, algorithm recommendation service providers possessing public opinion attributes or social mobilization capabilities shall also complete filing procedures through the Internet Information Service Algorithm Filing System and conduct security assessments in accordance with relevant state regulations.

On 10 July 2023, the CAC and six other ministries jointly promulgated the Interim Administrative Measures on Generative Artificial Intelligence Services (《生成式人工智能服務管理暫行辦法》), which became effective on 15 August 2023. These measures apply to services that utilize generative artificial intelligence technology to provide generated content such as text, images, audio, and video to the public within China. As our Xiaozhuo AI Intelligent Conversation Assistant product constitutes a generative artificial intelligence service, we are subject to the relevant provisions of the Interim Administrative Measures on Generative Artificial Intelligence Services.

The Interim Administrative Measures on Generative Artificial Intelligence Services specify the service norms for generative AI service providers, including: (i) providers shall, in accordance with the law, bear the responsibility of producers of online information content and fulfill obligations regarding online information security. Where personal information is involved, they shall, according to law, bear the responsibility of personal information processors and fulfill personal information protection obligations; (ii) upon discovering that users are using generative AI services to engage in illegal activities, providers shall take disposal measures such as issuing warnings, restricting functions, suspending, or terminating services in accordance with laws and agreements, preserve relevant records, and report to the competent authorities; (iii) providers shall label generated content such as images and videos in accordance with the Administrative Provisions on Deep Synthesis in Internet-based Information Services; (iv) providers shall establish and improve complaint and reporting mechanisms, set up convenient complaint and reporting portals, publish handling procedures and feedback deadlines, and promptly accept, handle, and provide feedback on public complaints and reports. Furthermore, the Interim Administrative Measures on Generative Artificial Intelligence Services require that providers

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offering generative AI services possessing public opinion attributes or social mobilization capabilities shall conduct security assessments in accordance with relevant state regulations and perform algorithm filing, modification, and cancellation procedures in accordance with the Administrative Provisions on Recommendation Algorithms in Internet-based Information Services.

On 25 November 2022, the CAC, the MIIT, and the Ministry of Public Security jointly promulgated the Administrative Provisions on Deep Synthesis in Internet-based Information Services (《互聯網信息服務深度合成管理規定》), which became effective on 10 January 2023. These provisions set out regulatory requirements for providing internet information services within China using deep synthesis technology. According to these provisions, deep synthesis technology refers to the technology that uses generative synthesis algorithms such as deep learning and virtual reality to produce online information including text, images, audio, video, and virtual scenes. The provisions impose several compliance obligations on deep synthesis service providers, including but not limited to establishing and improving user registration, information release review, data security, personal information protection, and labeling of information content generated or edited using deep synthesis technology. Additionally, deep synthesis service providers possessing public opinion attributes or social mobilization capabilities shall complete filing procedures in accordance with the Administrative Provisions on Recommendation Algorithms in Internet-based Information Services; deep synthesis service providers developing and launching new products, applications, or functions possessing public opinion attributes or social mobilization capabilities shall conduct security assessments in accordance with relevant state regulations.

On 7 March 2025, the CAC, the MIIT, the Ministry of Public Security, and the National Radio and Television Administration jointly promulgated the Measures for the Identification of AI-Generated and Synthesized Content (《人工智能生成合成內容標識辦法》), which became effective on 1 September 2025. According to these measures, internet information service providers falling under the circumstances specified in the Administrative Provisions on Deep Synthesis in Internet-based Information Services and the Interim Administrative Measures on Generative Artificial Intelligence Services must add explicit or implicit identifiers to generated synthetic content; service providers offering online information content dissemination services shall take prescribed measures to regulate the dissemination activities of generated synthetic content. When completing procedures such as algorithm filing and security assessment, service providers shall submit materials related to the identification of generated synthetic content in accordance with these measures.

Laws and Regulations on Internet Advertising Business

According to the Advertisement Law of the PRC (《中華人民共和國廣告法》) last amended by the SCNPC on 29 April 2021, and implemented on the same day, advertising operators are natural persons, legal persons, or other organizations that accept commissions to provide advertising design, production, and agency services. Advertisements shall be truthful and lawful, express advertising content in a healthy form, and conform to the requirements of socialist spiritual civilization and promoting the excellent traditional culture of the Chinese nation. Advertising operators engaging in advertising activities shall abide by laws and regulations, be honest and trustworthy, and compete fairly.

According to the Administrative Measures for Internet Advertising (《互聯網廣告管理辦法》) promulgated by the State Administration for Market Regulation on 25 February 2023, and implemented on 1 May 2023, Internet advertising refers to commercial advertising activities that

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directly or indirectly promote goods or services through text, images, audio, video, or other forms, using websites, web pages, Internet applications, and other Internet media within the territory of the PRC. Internet advertising shall be truthful and lawful, adhere to the correct orientation, express advertising content in a healthy form, and conform to the requirements of socialist spiritual civilization and promoting the excellent traditional Chinese culture. Using the Internet to engage in advertising activities shall comply with laws and regulations, be honest and trustworthy, and compete fairly.

Laws and Regulations on Consumer Rights and Interests Protection

According to the Law of the PRC on the Protection of Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) (the “**Consumer Protection Law**”) promulgated by the SCNPC on 31 October 1993, last amended on 25 October 2013, and effective on 15 March 2014, business operators shall ensure that the goods or services they provide meet the requirements for protecting the safety of persons and property. Business operators shall ensure the quality, performance, use, and term of validity of the goods or services they provide under normal use of the goods or acceptance of the services. Violation of the Consumer Protection Law may result in the business operator bearing civil liability or administrative liability. If the infringement of consumers’ lawful rights and interests constitutes a crime, the business operator may be investigated for criminal liability according to law.

The Implementation Regulations of the Consumer Protection Law of the PRC (《中華人民共和國消費者權益保護法實施條例》), promulgated by the State Council on 15 March 2024, further specifies and supplements the obligations of business operators, improves regulations related to online consumption, strengthens the obligations of business operators in prepaid consumption, and regulates consumer claim behaviors.

Laws and Regulations on Cybersecurity, Data Security, and Personal Information Protection

On 1 July 2015, the SCNPC promulgated the National Security Law of the PRC (《中華人民共和國國家安全法》), effective on the same date, stipulating that the state shall establish systems and mechanisms for national security review and supervision, conduct national security reviews of foreign investment, specific items and key technologies, network information technology products and services, construction projects involving national security matters, and other major matters and activities that affect or may affect national security, to effectively prevent and defuse national security risks.

On 7 November 2016, the SCNPC promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the “**Cybersecurity Law**”), effective from 1 June 2017, which applies to the construction, operation, maintenance, and use of networks within China, as well as the supervision and administration of cybersecurity. According to the Cybersecurity Law, the state implements a cybersecurity multi-level protection system. Network operators shall fulfill the relevant security protection obligations in accordance with the requirements of the cybersecurity multi-level protection system, ensure the network is free from interference, damage, or unauthorized access, and prevent network data from being leaked, stolen, or tampered with.

On 10 June 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the “**Data Security Law**”), effective from 1 September 2021. The Data Security Law stipulates that any organization or individual collecting data shall adopt lawful and proper means and shall not steal or otherwise obtain data illegally. The Data Security Law specifies basic data security management systems, including the establishment of the classified

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and graded data protection system, the data security risk assessment mechanism, the data security emergency response mechanism, and the data security review system.

On 20 August 2021, the SCNPC promulgated the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the “**Personal Information Protection Law**”), effective as of 1 November 2021. According to the Personal Information Protection Law, the processing of personal information shall adhere to the principles of lawfulness, legitimacy, necessity, and good faith, and personal information shall not be processed through misleading, fraud, coercion, or other such means. No organization or individual may illegally collect, use, process, or transmit others’ personal information, nor illegally buy, sell, provide, or publicly disclose others’ personal information; nor engage in personal information processing activities that endanger national security or public interests. Personal information processors shall take relevant measures to ensure that personal information processing activities comply with the provisions of laws and administrative regulations, and prevent unauthorized access as well as the leakage, tampering, or loss of personal information, based on the purpose and method of processing, the categories of personal information, the impact on personal rights and interests, and potential security risks.

The Civil Code of the PRC (《中華人民共和國民法典》) (the “**Civil Code**”) has come into effect on 1 January 2021. According to the Civil Code, the personal information of natural persons is protected by law. Any organization or individual that needs to obtain personal information of others shall do so in accordance with the law and ensure information security, and shall not illegally collect, use, process, or transmit others’ personal information, nor illegally buy, sell, provide, or disclose others’ personal information.

On 15 December 2019, the Cyberspace Administration of China promulgated the Provisions on the Ecological Governance of Online Information Content (《網絡信息內容生態治理規定》), effective as of 1 March 2020, aiming to further strengthen the standardized management of online information content. According to these Provisions, online information content service platforms shall, among other things: (i) not disseminate information prohibited by laws and regulations (such as content endangering national security); (ii) strengthen the review and inspection of advertising content displayed on online information content service platforms; (iii) formulate management rules and platform conventions, improve user agreements, clarify user rights and obligations, and fulfill management responsibilities required by laws, regulations, rules, and conventions; (iv) establish convenient channels for complaints and reports; and (v) prepare annual work reports on the ecological governance of online information content. Furthermore, online information content service platforms shall not: (i) utilize new technologies and applications such as deep learning and virtual reality to engage in activities prohibited by laws and regulations; (ii) implement behaviors such as online traffic fraud, malicious traffic hijacking, and related fake account registration, illegal trading of accounts, or manipulation of user accounts; and (iii) infringe upon the lawful rights and interests of third parties or seek illegal benefits by intervening in the manner of information presentation.

On 30 July 2021, the State Council promulgated the Regulations on Security Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) (the “**CII Regulations**”), effective on 1 September 2021. Pursuant to the CII Regulations, a “critical information infrastructure” has the meaning of an important network facility and information system in important industries and fields such as, among others, public communications and information services, energy, transport, water conservation, finance, public services, e-government affairs and national defense science, as well as other important network facilities and information systems that may seriously endanger national security, national economy and

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people’s livelihood, and public interests in the event of damage, loss of function, or data leakage. The critical information infrastructure operators have the obligation to take technical protection measures and other necessary measures and shall ensure the safe and stable operation of critical information infrastructure, and maintain the integrity, confidentiality and availability of data. The CII Regulations also stipulate that relevant government departments should formulate rules for identifying critical information infrastructure, identify critical information infrastructures in specific industries and fields based on these rules, and notify operators of the identification results in a timely manner.

On 28 December 2021, the Cyberspace Administration of China, the NDRC, and eleven other departments jointly issued the Measures for Cybersecurity Review (《網絡安全審查辦法》), effective as of 15 February 2022. The Measures for Cybersecurity Review stipulate that critical information infrastructure operators procuring network products and services shall pre-assess the potential national security risks after the products and services are put into use. If national security is or may be affected, they shall apply for cybersecurity review to the Cybersecurity Review Office. Network platform operators mastering personal information of more than 1 million users must apply for cybersecurity review to the Cybersecurity Review Office before listing in a foreign country.

On 7 July 2022, the Cyberspace Administration of China promulgated the Measures for the Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》), effective from 1 September 2022. The Measures for the Security Assessment of Outbound Data Transfer clarify the security assessment procedures, supervision and management systems, compliance rectification requirements, and legal responsibilities of data processors providing important data and personal information collected and generated during their operations in the PRC to overseas entities. Furthermore, the Measures for the Security Assessment of Outbound Data Transfer stipulate that data processors must clearly define the responsibilities and obligations of data security protection in legal documents concluded with overseas recipients.

On 22 March 2024, the Cyberspace Administration of China 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 same date. According to these Provisions, data processors providing data abroad that meet any of the following conditions shall apply for outbound security assessment to the national cyberspace administration authority through the provincial-level cyberspace administration authority of the place where the data processor is located: (i) critical information infrastructure operators providing personal information or important data abroad; (ii) data processors other than critical information infrastructure operators providing important data abroad, or providing personal information (excluding sensitive personal information) of more than 1 million individuals or sensitive personal information of more than 10,000 individuals abroad cumulatively since 1 January of the current year. The provisions also clarify that if the data has not been informed or publicly announced as important data by relevant departments or regions, data processors are not required to apply for security assessment for outbound transfer of such data as important data. Furthermore, the provisions also stipulate the conditions for the outbound data transfer exempt from applying for security assessment, entering into a standard contract for outbound transfer of personal information, or passing authentication for protection of personal information.

On 8 December 2022, the MIIT issued the Measures for Data Security Administration in the Industry and Information Technology Field (for Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》) (the “**MIIT Measures for Data Security**”), which became effective on 1 January 2023. In accordance with the MIIT Measures for Data Security, data processors in

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the field of industry and information technology shall category and classify the data collected and processed by the data processors, and adopt the corresponding security measures which cover the full lifecycle of data. The provisions also stipulate provisions for the identification and recognition of important data and core data in the field of industry and information technology, data security monitoring, early warning and emergency management, data security testing, certification and assessment management.

According to the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) promulgated by the State Council on 24 September 2024, effective from 1 January 2025, the Regulations apply to network data processing activities and their security supervision and administration conducted within China. The Regulations stipulate that no individual or organization may use network data to engage in illegal activities, nor engage in illegal network data processing activities such as stealing or otherwise illegally obtaining network data, illegally selling or illegally providing network data to others. Network data processors shall, in accordance with the provisions of laws and administrative regulations and the mandatory requirements of national standards, strengthen network data security protection on the basis of the cybersecurity multi-level protection system, establish and improve network data security management systems, adopt technical measures such as encryption, backup, access control, and security certification, and other necessary measures to protect network data from tampering, destruction, leakage, or illegal acquisition or use, handle network data security incidents, and prevent illegal activities and crimes targeting or utilizing network data, and shall bear primary responsibility for the security of the network data they process.

LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY

Trademarks

According to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on 23 August 1982, last amended on 23 April 2019, and effective from 1 November 2019, and the Implementing Regulations of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) promulgated by the State Council on 3 August 2002, last amended on 29 April 2014, and effective from 1 May 2014, trademarks approved and registered by the Trademark Office are registered trademarks, including commodity trademarks, service marks and collective trademarks, certification marks; trademark registrants enjoy the exclusive right to use the trademark, which is protected by law. The term of validity of a registered trademark is ten years, calculated from the date of approval of the registration. The term of validity of each renewal of registration is ten years. If the renewal procedures are not completed upon expiration, the registered trademark shall be cancelled.

Patents

According to the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the SCNPC on 12 March 1984, last amended on 17 October 2020, and effective on 1 June 2021, and the Implementing Regulations of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) promulgated by the State Council on 15 June 2001, last amended on 11 December 2023, and effective on 20 January 2024, patents are divided into three categories, namely invention patents, design patents, and utility model patents. The duration of patent rights for an invention, a design and a utility model shall be 20 years, 15 years and 10 years respectively, all calculated from the date of application. Exploiting a patent without the authorization of the patent holder constitutes the infringement of patent rights, and the infringer shall be liable for compensation to the patent holder, may be fined, and may even bear criminal liability.

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Copyright

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC on 7 September 1990, last amended on 11 November 2020, and effective from 1 June 2021, and the Implementing Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) promulgated by the State Council on 2 August 2002, last amended on 30 January 2013, and effective from 1 March 2013, works of Chinese citizens, legal persons, or unincorporated organizations enjoy copyright pursuant to law, whether published or not. The aforementioned works refer to intellectual achievements that are original and can be expressed in a certain form in the fields of literature, art, and science.

Domain Names

According to the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on 24 August 2017, and effective on 1 November 2017, and the Implementation Rules for National Top-Level Domain Name Registration (《國家頂級域名註冊實施細則》) promulgated by the China Internet Network Information Center on 18 June 2019, and effective on the same day, the MIIT implements supervision and administration of domain name services nationwide. Domain name registration services shall in principle follow the “first apply first register” principle. When applying for domain name registration, the applicant shall sign a domain name registration agreement with the registrar and provide the true, accurate and complete domain name registration information to the registrar. After the completion of the registration procedures, the applicant will become the holder of the relevant domain name.

LAWS AND REGULATIONS ON REAL PROPERTY

Land Use Rights, House Ownership

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) last amended by the SCNPC on 26 August 2019, and implemented on 1 January 2020, state-owned land may be granted or allocated to construction units for use according to the law. According to the Interim Regulations on Real Property Registration (《不動產登記暫行條例》) promulgated by the State Council on 24 November 2014, last amended on 10 March 2024, and implemented on 1 May 2024, the real estate registration shall be conducted by the real estate registration agency of the people’s government at or above the county level where the real estate is located.

According to the Civil Code, the creation, alteration, transfer, or extinction of the real property rights shall become effective upon registration in accordance with the law; without registration, it shall not become effective, unless otherwise provided by the law. The certificate of real property ownership is the evidence that the right holder is entitled to ownership of real property rights. According to the Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on 26 August 2019, and implemented on 1 January 2020, the state implements a system of registration and certification for land use rights and house ownership. According to the Interim Regulations on Real Property Registration last amended on 10 March 2024 and implemented on 1 May 2024 by the Ministry of Natural Resources of the PRC and the Detailed Rules for the Implementation of the Interim Regulations on Real Property Registration (《不動產登記暫行條例實施細則》) last amended on 9 May 2024, and implemented on the same date by the Ministry of Natural Resources of the PRC, the state implements a unified real property registration system.

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Leased Properties

According to the Civil Code, the owner of real property or movable property has the right to possess, use, benefit from, and dispose of such real property or movable property according to the law. A lessee may, with the consent of the lessor, sublease the leased property to a third party. If the lessee subleases, the lease contract between the lessee and the lessor continues to be valid. If the lessee subleases without the consent of the lessor, the lessor may rescind the contract.

Furthermore, if the ownership of the leased property changes during the term of possession by the lessee according to the lease contract, the validity of the lease contract is not affected. If the third party claims rights, preventing the lessee from using or benefiting from the leased property, the lessee may request a reduction in rent or non-payment of rent.

According to the Civil Code, if the parties fail to go through the lease contract registration and filing procedures in accordance with the provisions of laws and administrative regulations, the validity of the contract is not affected. According to the Administrative Measures for the Lease of Commercial Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on 1 December 2010, and effective on 1 February 2011, within 30 days after the conclusion of a house lease contract, the parties to the house lease shall go through the house lease registration and filing procedures with the competent construction (real estate) department of the people’s government of the municipality directly under the Central Government, city, or county where the leased house is located. Anyone violating the preceding provisions shall be ordered to make corrections within a specified time limit by the competent construction (real estate) department of the people’s government of the municipality directly under the Central Government, city, or county; if a unit, as a party to the house lease, fails to make corrections within the time limit, it shall be fined not less than RMB1,000 nor more than RMB10,000.

According to the Interpretation of the Supreme People’s Court on Several Issues Concerning the Application of Law in the Trial of Disputes over Urban Housing Lease Contracts (2020 Amendment) (《最高人民法院關於審理城鎮房屋租賃合同糾紛案件具體應用法律若干問題的解釋(2020修正)》) promulgated by the Supreme People’s Court on 29 December 2020, and effective on 1 January 2021, if the ownership of a leased house changes during the term of possession by the lessee according to the lease contract, and the lessee requests the house transferee to continue performing the original lease contract, the people’s court shall support the request, except where the house was mortgaged before being leased and the ownership changes due to the mortgagee realizing the mortgage, or the house was sealed by a people’s court according to law before being leased.

Laws and Regulations on Environmental Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the “**Environmental Protection Law**”) promulgated by the SCNPC on 26 December 1989, last amended on 24 April 2014, and effective on 1 January 2015, establishes a legal framework for protecting and improving the environment, preventing and controlling pollution and other public hazards, safeguarding public health, promoting ecological progress, and achieving sustainable economic and social development. According to the Environmental Protection Law, enterprises, institutions, and other producers and business operators shall prevent and reduce environmental pollution and ecological damage, and bear liability according to the law for the damage caused.

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LAWS AND REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

Labor Law and Labor Contracts

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on 5 July 1994, last amended on 29 December 2018, and effective on the same date, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on 29 June 2007, last amended on 28 December 2012, and effective on 1 July 2013, employers shall establish and improve rules and regulations according to the law to ensure that laborers enjoy labor rights and perform labor obligations. A written labor contract shall be concluded when the employer and the labors establish the employment relationship. Where the employer fails to conclude a written labor contract for the employment of an employee or if the remuneration stipulated between the employer and the employee is not clear, the labor remuneration of a new employee shall be executed pursuant to the standard stipulated in the collective contract; where there is no collective contract or where there is no such provision in the collective contract, the same remuneration shall be paid for the same job position.

Social Insurance

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the SCNPC on 28 October 2010, last amended on and effective on 29 December 2018, and the Interim Regulation on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on 22 January 1999, and last amended on and effective on 24 March 2019, the PRC shall establish social insurance systems including basic endowment insurance, basic medical insurance, employment injury insurance, unemployment insurance, maternity insurance to protect the rights of citizens for obtaining material assistance from the State and the society pursuant to the law in the circumstances of old age, illness, work-related injury, unemployment and childbirth. Employers shall complete social security registration with the social security agency for its employee within the required time, and declare and pay social insurance premiums on time and in full amount. Payment shall not be deferred, reduced or exempted not due to force majeure or other statutory cause. Employers who failed to pay social insurance premiums on time or in full amount shall be ordered by the collection agency to pay or make up the deficit of premiums within a stipulated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times the outstanding amount.

Pursuant to the Interpretation (II) of the Supreme People’s Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (the “**Judicial Interpretation II**”) promulgated by the Supreme People’s Court on 1 July 2025, which came into effect on 1 September 2025, any agreement between an employer and an employee, or any unilateral commitment by an employee, to waive the payment of social insurance contributions shall be deemed invalid by the people’s court. If an employer fails to contribute to social insurance in accordance with the law, and an employee terminates the labor contract on such grounds, claiming economic compensation from the employer pursuant to the Labor Contract Law, the people’s court shall uphold such claim in accordance with the law. Furthermore, if, after the employer has subsequently made the required social insurance contributions in accordance with the law, it seeks the return of any economic compensation previously paid to the employee due to the non-payment of social insurance contributions, the people’s court shall support such claim for return in accordance with the law.

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Our Directors have confirmed that during the Track Record Period and up to the Latest Practicable Date, the Group did not enter into any social insurance waiver agreements with its employees as described in Judicial Interpretation II. According to our PRC Legal Advisers, as the circumstances envisaged under Judicial Interpretation II regarding the waiver of social insurance contributions did not occur within the Group during the Track Record Period and up to the Latest Practicable Date, Judicial Interpretation II will not impact the analysis of the Group’s compliance with the PRC laws and regulations concerning the contribution requirements for social insurance and housing provident fund.

Housing Provident Fund

According to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on 3 April 1999, last amended on 24 March 2019 and effective as of the same day, the employer shall make registration of contribution to the housing provident fund with the housing provident fund management center, and go through the formalities of opening housing provident fund accounts for its employees. The employer shall pay and deposit housing provident fund on schedule and in full, and may not be overdue in the contribution or underpay the housing provident fund.

Where, in violation of the provisions of the Regulations on the Administration of Housing Provident Fund, an employer fails to undertake contribution registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed. Where the employer fails to deposit the housing accumulation fund within the time limit or by under-depositing the fund, it shall be ordered by the housing accumulation fund management center to deposit the fund within a time limit; if it fails to deposit the fund within the time limit, it may apply to the people’s court for enforcement.

Laws and Regulations on Foreign Exchange

According to the Foreign Exchange Control Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated by the State Council on 29 January 1996, last amended on 5 August 2008 and effective as of the same day, and the Administrative Regulations on Settlements, Sales and Payments in Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the People’s Bank of China on 20 June 1996 and effective on 1 July 1996, after financial institutions engaging in conversion and sale of foreign currencies carry out reasonable examination of the veracity of transaction documents and the consistency of the transaction documents and the foreign exchange receipts and payments pursuant to the provisions of the foreign exchange control department of the State Council, the RMB is freely convertible for payments of current account items, such as trade- and service-related foreign exchange transactions and dividend payments. However, it is not freely convertible for capital account items, such as direct investment, loans or investments in securities outside China, unless prior approval from the SAFE or its branches is obtained.

According to Decision on Matters Concerning Cancellation and Adjustment to a Batch of Items subject to Administrative Approval (《關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council on 23 October 2014 and effective on the same day, State Council has decided to cancel the approval requirement for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares.

REGULATORY OVERVIEW

According to Notice on Issues Relating to Foreign Exchange Control Pertaining to Overseas Listing (《關於境外上市外匯管理有關問題的通知》) issued by the SAFE on 26 December 2014 with effectiveness on the same day, a domestic company shall, within 15 business days from completion of its overseas listing issuance, register the overseas listing with the SAFE’s local branch at the place of its incorporation. The funds obtained by a domestic company through an overseas listing can be transferred to a domestic account or deposited overseas. The usage of funds shall be consistent with the relevant contents set out in the [REDACTED] document or disclosure documents such as the corporate bonds offering documentation, shareholders’ circular and the resolution of the board of directors or the shareholders’ general meeting.

According to Notice on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE on 13 February 2015, effective on 1 June 2015 and partially abolished on 30 December 2019, the administrative approval for foreign exchange registration under domestic direct investment and overseas direct investment have been cancelled and the banks will review and carry out foreign exchange registration under domestic direct investment as well as foreign exchange registration under overseas direct investment, and the SAFE and its branches shall implement indirect supervision over foreign exchange registration of direct investment via the banks.

According to the Notice on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Account Items (《關於改革和規範資本項目結匯管理政策的通知》) issued by the SAFE on 9 June 2016 and was amended on 4 December 2023 and effective on the same day, domestic institutions may settle their foreign exchange receipts under the capital account (including foreign exchange capital, foreign debts and repatriated funds raised through overseas listing) entitled to discretionary settlement according to relevant policies with banks as actually needed for business operation. The proportion of discretionary settlement of foreign exchange capital income for domestic companies is temporarily set at 100%. The SAFE may adjust the above proportion in due course based on international balance of payments.

According to Notice on Further Promoting the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》) promulgated by the SAFE on 23 October 2019, last amended on 4 December 2023 and effective on the same day, non-investment foreign-invested enterprises are allowed to make the domestic equity investment with their capital funds in accordance with the law on the premise that the existing special administrative measures (negative list) for foreign investment access are not violated and domestic investment projects are true and compliant.

According to the Notice on Optimizing Foreign Exchange Administration 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》) promulgated by the SAFE on 10 April 2020 with effect on the same day, enterprises satisfying the prescribed requirements are allowed to use receipts under the capital accounts such as capital funds, external debts and overseas listings for domestic payment without providing banks with authenticity certification materials on a transaction-by-transaction basis in advance, under the premise that funds are used in a truthful and compliant manner and comply with the existing provisions on the administration of use of receipts under capital accounts. Banks shall, under the principle of prudential business development, manage and control the relevant business risks, and conduct ex post random inspection of the facilitation of receipts and payments under capital accounts according to the relevant requirements.

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Laws and Regulations on Dividend Distribution

According to the Foreign Investment Law and the Implementation Regulations for the Foreign Investment Law, foreign investors may, in accordance with the law, freely remit into or out of the PRC, in RMB or any other foreign currency, their capital contributions, profits, capital gains, income from asset disposal, intellectual property royalties, lawfully acquired compensation, indemnity or liquidation income and so on within the territory of the PRC. Organizations or individuals shall not illegally restrict the currency type and amount as well as the frequency of inward, outward remittance, among others.

According to the Company Law, when distributing each year’s profits after taxation, the company shall set aside 10% of its profits after taxation for the company’s statutory common reserve fund until the fund has reached 50% or more of the company’s registered capital. When the company’s statutory common reserve fund is not sufficient to make up for the company’s losses for the previous years, the current year’s profits shall first be used to make good the losses before any allocation is set aside for the statutory common reserve fund.

LAWS AND REGULATIONS ON TAXATION

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the “**EIT Law**”) promulgated by the SCNPC on 16 March 2007, last revised on 29 December 2018 and effective on the same date, and the Regulations on the Implementation of the EIT Law (《中華人民共和國企業所得稅法實施條例》) (the “**EIT Law Implementation Regulations**”) promulgated by the State Council on 6 December 2007, last revised on 6 December 2024 and effective on 20 January 2025, the enterprise income tax shall be at the rate of 25%. The enterprise income tax for high-tech enterprises supported by the State shall be at a reduced tax rate of 15%.

Value-added Tax

According to the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法》) (the “**VAT Law**”) promulgated by the SCNPC on December 25, 2024, and effective as of January 1, 2026, as well as the Regulations on the Implementation of the VAT Law (《中華人民共和國增值稅法實施條例》) promulgated by the State Council on December 25, 2025, and effective as of January 1, 2026, entities and individuals that sell goods, services, intangible assets, or immovable property within the territory of China, or import goods into China, are taxpayers of Value-Added Tax and shall pay Value-Added Tax accordingly. According to the different goods sold and different services provided, the tax rates shall be 0%, 3%, 6%, 9%, and 13%, respectively.

According to the Notice of the Ministry of Finance and the State Taxation Administration on Matters Concerning the Connection of VAT Preferential Policies after the Implementation of the VAT Law (《財政部稅務總局關於增值稅法施行後增值稅優惠政策銜接事項的公告》), promulgated on January 30, 2026, from January 1, 2026, to December 31, 2027, general taxpayers who engage in the taxable transactions stipulated in the aforementioned Notice may opt to apply the simplified VAT calculation method, with VAT payable computed at the statutory levy rate of 5%.

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LAWS AND REGULATIONS ON SECURITIES AND OVERSEAS LISTING

Securities Laws and Regulations

According to the Securities Law of the PRC (《中華人民共和國證券法》), which was promulgated by the SCNPC on 29 December 1998 and was last revised on 28 December 2019 and became effective on 1 March 2020, domestic enterprises issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council. The specific measures for the subscription for and trading in stocks of domestic companies in foreign currencies shall be stipulated by the State Council.

Overseas Listing

On 17 February 2023, the CSRC promulgated Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five ancillary interpretive guidelines (collectively, the “Overseas Listing Trial Measures”), which came into effect on 31 March 2023. Pursuant to the Overseas Listing Trial Measures, overseas offering and listing by domestic companies shall be made in strict compliance with relevant laws, administrative regulations and rules concerning national security in spheres of foreign investment, cybersecurity, data security and etc., and duly fulfill their obligations to protect national security. If the intended overseas offering and listing necessitates a national security review, relevant security review procedures shall be completed according to law before the application for such offering and listing is submitted to any overseas parties such as securities regulatory agencies and trading venues. Initial public offerings or listings in overseas markets shall be filed within three working days after the relevant application is submitted overseas.

Pursuant to the Overseas Listing Trial Measures, no overseas offering and listing shall be made under any of the following circumstances: (i) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (v) where there are material ownership disputes over equity held by the domestic company’s controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller.

On 24 February 2023, the CSRC, Ministry of Finance, National Administration of State Secrets Protection and State Archives Administration of China jointly issued the Provisions on Strengthening Confidentiality and Archives Administration in Respect of Overseas Issuance and Listing of Securities by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “**Archives Rules**”), which came into effect on 31 March 2023. According to the Archives Rules, to provide or publicly disclose to the relevant securities companies, securities service agencies, overseas regulatory authorities and other entities and individuals, or to provide or publicly disclose, through its overseas listing entities, any document or material involving State secrets or work secrets of State agencies, a domestic enterprise shall apply to the competent department with examination and approval authority for approval in

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accordance with the law, and file the same with the secrecy administration at the same level for the record. To provide or publicly disclose to the relevant securities companies, securities service agencies, overseas regulatory authorities and other entities and individuals, or to provide or publicly disclose, through its overseas listing subjects, other documents and materials, the disclosure of which will cause adverse impact on the national security or public interests, a domestic enterprise shall strictly go through the corresponding procedures pursuant to the relevant provisions.