

REGULATORY OVERVIEW

The principal laws, regulations, normative documents and regulatory policies within the PRC that affect our business operations are set out below:

INDUSTRY POLICIES AND REGULATORY REQUIREMENTS

According to the Outline of the 15th Five-Year Plan for National Economic and Social Development of the People’s Republic of China (《中華人民共和國國民經濟和社會發展第十五個五年規劃綱要》) issued by the National People’s Congress on March 13, 2026 and effective on the same day, it is proposed to accelerate the development of strategic emerging industries such as new-generation information technology and new energy. Among them, the “Cultivation and Development of New Industries and New Tracks” column requires the development of new types of batteries and the expansion of the application of high-safety and high-energy-density batteries in fields such as new intelligent terminals, new energy storage, and electric vehicles.

According to the Several Measures for Promoting the Consumption of Electronic Products (《關於促進電子產品消費的若干措施》), which was published by seven departments including the National Development and Reform Commission (the “NDRC”) and the Ministry of Industry and Information Technology (the “MIIT”) on July 20, 2023 and came into effect on the same day, the technological innovation of electronic products shall be accelerated, a new round of scientific and technological revolution and industrial transformation trend shall be followed, supply-side technological innovation and industrial upgrading shall be promoted, and the upgrading of consumption of electronic products shall be promoted.

According to the Guidance Catalog for Industrial Structural Adjustment (2024 Edition) (《產業結構調整指導目錄(2024年本)》), which was last amended by the NDRC on December 27, 2023 and became effective on February 1, 2024, items including “lithium-ion batteries, semi-solid-state and all-solid-state lithium batteries”, “cathode materials such as ternary and multi-element and lithium iron phosphate, anode materials such as mesocarbon microbeads and silicon-carbon, lithium-ion battery separators including single-layer and three-layer composite types, electrolytes and additives such as fluoroethylene carbonate (FEC) for lithium-ion batteries”, have been listed under the “Encouraged Category” of the guidance catalog for industrial structure adjustment.

According to the Lithium-ion Battery Industry Standard Conditions (2024 Edition) (《鋰離子電池行業規範條件(2024年本)》) (the “**Standard Conditions**”), which was published by the MIIT (MIIT Announcement No. 14 of 2024) on June 18, 2024 and came into effect on June 20, 2024, the Standard Conditions serve as a guidance document to encourage and guide the technological advancement and standardized development of the lithium-ion battery industry. The Standard Conditions stipulate that the State encourages enterprises to reduce manufacturing projects that merely expand production capacity and to strengthen technological innovation, improve product quality and reduce production costs. Enterprises shall adopt production processes and equipment that are technologically advanced, energy-saving, environmentally friendly, safe, stable and highly intelligent, and shall meet the corresponding technical standard requirements.

According to the Action Plan for High-Quality Development of New Energy Storage Manufacturing Industry (《新型儲能製造業高質量發展行動方案》), which was published by eight departments including the MIIT on February 10, 2025 and came into effect on the same day, concrete efforts shall be taken to promote the high-quality development of new energy storage manufacturing industry, organically integrate the deepening of the supply-side structural reform in new energy storage with expanding domestic demand, and provide strong momentum for the construction of a modern industrial system and a new energy system. By 2027, the competitive advantages of the entire chain of our nation’s new energy storage manufacturing industry shall be notable in the world, industrial innovation and comprehensive competitiveness shall be significantly improved, and high-end, intelligent, and green development shall be achieved.

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LAWS AND REGULATIONS ON PRODUCTION SAFETY, ENVIRONMENTAL PROTECTION AND ENERGY CONSERVATION REVIEW

Production Safety

According to the Production Safety Law of the People’s Republic of China (《中華人民共和國安全生產法》) (the “**Production Safety Law**”), which was last amended by the Standing Committee of the National People’s Congress of the People’s Republic of China (the “**SCNPC**”) on June 10, 2021 and became effective on September 1, 2021, units engaged in production and operation activities within the PRC must comply with the Production Safety Law and other laws and regulations relating to production safety. It is important to strengthen safety production management, establish sound production safety responsibility systems and production safety rules and regulations, improve production safety conditions, promote standardization of safety production, raise production safety levels, and ensure production safety. The main person in charge of the production and operation unit shall be fully responsible for the safety production safety of the unit. Violations of the Production Safety Law shall be subject to penalties, including fines, suspension of production and operation, an order to suspend production and operation based on the circumstances of the violation. Where the violation constitutes a crime, criminal liability will be pursued.

Environmental Protection

The Ecological Environment Code of the People’s Republic of China (《中華人民共和國生態環境法典》) (the “**Ecological Environment Code**”) was promulgated by the National People’s Congress on March 12, 2026 and came into effect on August 15, 2026. The Ecological Environment Code systematically consolidates and integrates provisions on pollution prevention and control and ecological protection that were previously scattered across multiple standalone laws, and repeals ten standalone laws, thereby establishing a unified legal framework for ecological and environmental governance.

According to the Ecological Environment Code, the State implements a classification management system for environmental impact assessments of construction projects based on their potential degree of environmental impact. The construction entity shall be responsible for the content and conclusions of its environmental impact assessment documents, and may not commence construction without the examination and approval of the relevant authorities in accordance with the law.

In addition, the Ecological Environment Code strengthens the pollutant discharge permit system, requiring enterprises to strictly comply with national and local environmental standards, adopt effective pollution prevention and control measures, and bear corresponding legal liabilities in accordance with the law for any ecological damage or environmental violations arising from their operations.

Fire Safety

According to the Fire Protection Law of the People’s Republic of China (《中華人民共和國消防法》), which was last amended by the SCNPC on April 29, 2021 and became effective on the same day, the emergency management department under the State Council and the emergency management department under the local people’s governments at or above the county level shall supervise and manage the fire protection, and the fire protection design and construction of construction projects must comply with the national technical standards for fire protection in construction projects.

According to the Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), which was last amended by the Ministry of Housing and Urban-Rural Development on August 21, 2023 and became effective on October 30, 2023, fire protection design review

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and fire protection acceptance shall be carried out for special construction projects. With respect to the construction projects other than special construction projects, the fire protection acceptance of construction projects shall be filed with the competent authorities.

Energy Conservation Review

According to the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), which was last amended by the SCNPC on October 26, 2018 and became effective on the same day, the State shall implement an energy conservation assessment and review system for fixed asset investment projects. For projects that do not meet mandatory energy conservation standards, the construction unit shall not commence construction; where the construction is completed, the project shall not be put into production or use. If a government investment project does not meet mandatory energy conservation standards, the authority responsible for project examination and approval according to law shall not grant approval for construction. Detailed measures shall be formulated by the department regulating energy conservation under the State Council in conjunction with relevant departments of the State Council.

LAWS AND REGULATIONS ON PRODUCT QUALITY

According to the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), which was last amended by the SCNPC on December 29, 2018 and came into effect on the same day, the market supervision and administration department under the State Council is in charge of the national supervision of product quality. Producers are prohibited from producing and selling products that do not meet the standards and requirements for safeguarding personal health and personal and property safety. The product must not be in unreasonable danger threatening human and property safety. If a defective product causes physical injury to a person or other property damage, the aggrieved party may claim compensation from the producer or seller of the product. Producers and sellers of unqualified products may be ordered to cease production and sales, and may be subject to confiscation of products or/and fines; earnings from sales in contravention of such standards or requirements, if any, may also be confiscated, and in severe cases, an offender's business license may be revoked.

LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Patent

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》), which was last amended by the SCNPC on October 17, 2020 and became effective on June 1, 2021, and the Rules for the Implementation of the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》) last amended by the State Council on December 11, 2023 and became effective on January 20, 2024, patent rights are classified into three categories, namely invention patent right, utility model patent right and design patent right. The duration of the invention patent right shall be 20 years and that of the utility model patent right and of the design patent right shall be 10 and 15 years, respectively, all commencing from the date of application.

Trademark

According to the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), which was last amended by the SCNPC on April 23, 2019 and became effective on November 1, 2019, and the Implementation Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》), which was last amended by the State Council on April 29, 2014 and became effective on May 1, 2014, registered trademarks are trademarks that have been approved and registered by the Trademark Office of China National Intellectual Property Administration, including trademarks,

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service marks, collective marks and certification marks. The validity period of a registered trademark shall be ten years, counted from the date of approval of the registration. If a registered trademark is still needed after its expiration, it should be renewed every ten years.

Copyright

According to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), which was last amended by the SCNPC on November 11, 2020 and became effective on June 1, 2021, works of literature, art and science which are expressed in certain forms, whether published or not, shall enjoy copyright according to the law. Copyrights shall include a series of personality rights and property rights such as the right of publication, the right of authorship, the right of alteration, the right of integrity and the right of reproduction. Unless otherwise provided, any act of reproducing, distributing, performing, screening, broadcasting, compiling, or disseminating a work to the public through information networks without the permission of the copyright owner constitutes copyright infringement and shall incur corresponding civil liability, and may even incur administrative and criminal liability.

According to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), which was published by the National Copyright Administration on February 20, 2002 and made effective on the same day, and the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) amended by the State Council on January 30, 2013, and became effective on March 1, 2013, the National Copyright Administration shall be the competent authority for the nationwide administration of software copyright registration, and the Copyright Protection Center of China is designated as the software registration authority which shall grant registration certificates to qualified computer software copyright applicants in accordance with the provisions of the aforementioned methods and regulations.

LAWS AND REGULATIONS ON IMPORT AND EXPORT OF COMMODITIES

According to the Customs Law of the People's Republic of China (《中華人民共和國海關法》), which was last amended by the SCNPC on April 29, 2021 and came into effect on the same day, the customs is a state organ responsible for supervision and control over all arrivals in and departures from the customs territory. It shall, in accordance with relevant laws and administrative regulations, exercise control over the means of transport, goods, travelers' luggage, postal items and other articles entering or leaving the territory, collect customs duties and other taxes and fees, prevent and suppress smuggling, prepare customs statistics and handle other customs operations. Customs declaration entities refer to the consignees and consignees of imported and exported goods and customs declaration enterprise filed with the customs. The consignees or consignees of import and export goods may complete the customs declaration formalities by themselves or by their entrusted customs brokers.

According to the Law of the PRC on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法》), which was last amended by the SCNPC on April 29, 2021 and came into effect on the same day, and the Regulations for the Implementation of the Law of the PRC on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法實施條例》) last amended by the State Council on March 29, 2022 and came into effect on May 1, 2022, the General Administration of Customs of the People's Republic of China (the "General Administration of Customs") is in charge of the national import and export commodity inspection work. For the imported and exported commodities other than those that are subject to inspection as mentioned above, the entry-exit inspection and quarantine authorities shall conduct random inspections according to state regulations. No import commodity subject to statutory inspection may be sold or used before inspection. No export commodity subject to statutory inspection may be exported before inspection or before passing the inspection. The consignee or consignor of import and export commodities may complete the inspection formalities by themselves or by their entrusted Customs brokers.

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According to the Provisions on the Administration of Recordation of Customs Declaration Entities of the PRC (《中華人民共和國海關報關單位備案管理規定》), which was published by the General Administration of Customs on November 19, 2021 and came into effect on January 1, 2022, customs declaration entities refer to consignees and consignors of imported and exported goods and customs declaration enterprises filed with the Customs in accordance with this provisions. Consignees and consignors of imported and exported goods and customs declaration enterprises shall obtain the qualification of market entities when applying for filing.

According to the Notice on Matters Concerning the Filing of Consignees and Consignors of Import and Export Goods (《關於進出口貨物收發貨人備案有關事宜的通知》), which was published by the Department of Enterprise Management and Audit-Based Control of the General Administration of Customs on January 3, 2023 and came into effect on the same day, the consignees and consignors of imported and exported goods who apply for filing shall be qualified as a market entity and is not required to be filed as foreign trade business operators.

LAWS AND REGULATIONS ON LABOR, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Labor Law and Labor Contract Law

According to the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), which was last amended by the SCNPC on December 29, 2018 and became effective on the same date, the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) last amended by the SCNPC on December 28, 2012 and became effective on July 1, 2013, and the Implementation Regulations of the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》) published by the State Council on September 18, 2008 and became effective on the same date, written labor contracts should be entered into if labor relationships are to be established between employers and employees. Employers must guarantee employees' rest time and are prohibited from forcing employees to work overtime. Employees' wages must not be lower than the local minimum wage standard. Employers must establish and improve workplace safety and health systems and facilities that meet national standards.

Social Insurance and Housing Provident Fund

In accordance with the Social Insurance Law of the People's Republic of China, which was most recently amended by the Standing Committee of the National People's Congress on December 29, 2018, and took effect on the same day, the Interim Regulations on the Collection of Social Insurance Premiums, newly amended by the State Council on March 24, 2019 and came into effect on the same day, the Regulations on the Administration of Housing Provident Funds and other relevant laws and regulations, employers in Mainland China are required to contribute to basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing provident fund for their employees.

If an employer fails to register or pay the aforementioned social insurance premiums as required, they may be ordered to rectify or pay within a specified period. Failure to do so within the specified period will result in a fine of one to three times the amount owed, plus a daily late payment fee of 0.05%. Similarly, if an employer fails to register or establish a housing provident fund account as required, they may be ordered to do so within a specified period. Failure to do so within the specified period will result in a fine of 10,000 to 50,000 yuan. The employer may be subject to enforcement proceedings by the People's Court for the overdue amount.

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The Notice on Implementing Further Measures to Support and Serve the Development of the Private Economy, issued by the State Taxation Administration on November 16, 2018 and made effective on the same day, requires tax authorities at all levels not to independently initiate centralized collection of overdue social insurance premiums from previous years, including those from private enterprises. The Notice of the General Office of the State Council on Issuing the Comprehensive Plan for Reducing Social Insurance Premium Rates, promulgated on April 1, 2019 made effective on the same day by the General Office of the State Council, also emphasizes the proper handling of historical arrears of enterprises. During the reform of the collection system, no centralized collection of historical arrears shall be independently initiated, and no measures that increase the actual payment burden on small and micro enterprises shall be taken, so as to avoid causing difficulties in their production and operation.

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 “**Labor Dispute Interpretation (II)**”), published by the Supreme People’s Court of the People’s Republic of China on July 31, 2025, and effective as of September 1, 2025, any agreement between an employer and a worker, or any commitment by a worker, that the employer is not required to make social insurance contributions shall be deemed invalid by the people’s courts. Where an employer fails to pay social insurance contributions in accordance with the law, and the worker requests termination of the labor contract and economic compensation from the employer on this basis, the people’s courts shall support such claim in accordance with the law. The Labor Dispute Interpretation (II) does not stipulate the administrative liabilities of employers for violations relating to social insurance and housing provident fund.

LAWS AND REGULATIONS ON PROPERTY LEASING

According to the Measures for the Administration of Commodity Housing Leasing (《商品房屋租賃管理辦法》), which was published by the Ministry of Housing and Urban-Rural Development on December 1, 2010, lessors and lessees are required to complete the registration and filing procedures for property leasing with the municipal or county-level construction (real estate) authorities where the leased properties are located within 30 days after signing the property lease contract. If a company fails to act in the above manner, it may be ordered to make corrections within a specified time limit. If a company fails to make corrections, it may be subject to a fine of not less than RMB1,000 but not more than RMB10,000. According to the Civil Code, failure to complete registration and filing procedures does not affect the validity of a lease contract.

LAWS AND REGULATIONS ON TAXATION

Enterprise Income Tax

The Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) (the “**EIT Law**”) last amended by the SCNPC on December 29, 2018, and the Regulations for the Implementation of the Enterprise Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法實施條例》) last amended by the State Council on December 6, 2024 are the principle laws and regulations governing enterprise income tax in the PRC. According to the EIT Law and its implementation regulations, a unified income tax rate of 25% is applicable to all resident enterprises and non-resident enterprises that have institutions and premises in the PRC to the extent that such incomes are derived from the PRC, or such incomes are sourced outside China but have an actual connection with the institutions or premises. High-tech enterprises in need of support from the state shall be subject to a reduced enterprise income tax rate of 15%.

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Value-Added Tax

According to the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》) ("Value-Added Tax Law") issued by the SCNPC on December 25, 2024, which came into force on January 1, 2026, and the Regulations on the Implementation of the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法實施條例》) issued by the State Council on December 25, 2025 and came into effect on January 1, 2026, unless otherwise stipulated, within the PRC, the tax rate for taxpayers selling goods, providing services in relation to processing, repair and replacement, as well as lease of tangible personal property, or importing goods is 13%, with reduced rates of 9%, 6%, or 0% applicable under specified circumstances.

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the PRC EIT imposed on the dividends received from PRC companies. China currently has entered into avoidance of double taxation treaties or arrangements with Hong Kong, Macau, and a number of countries and regions including Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States.

LAWS AND REGULATIONS ON FOREIGN INVESTMENT, OVERSEAS INVESTMENT AND FOREIGN EXCHANGE SUPERVISION

Foreign Investment

According to the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "Company Law") last amended by the SCNPC on December 29, 2023 and became effective on July 1, 2024, companies established in the PRC may take the form of limited liability company or joint stock company with limited liability. A company shall have the status of a legal person and owns the assets itself. The Company Law also applies to foreign-invested enterprises.

According to the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the "Foreign Investment Law") published by the NPC on March 15, 2019 and the Regulations for the Implementation of the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法實施條例》) published by the State Council on December 26, 2019, both of which came into effect on January 1, 2020, the State shall implement the management systems of pre-establishment national treatment and negative list for foreign investment. Foreign investors shall not invest in any field forbidden by the negative list for foreign investment; for any field restricted by the negative list, foreign investors shall conform to the investment conditions as required; fields not included in the negative list are managed under the principle that domestic investment and foreign investment shall be treated uniformly. Meanwhile, the competent government departments may, based on the needs of national economy and social development, formulate a catalogue of encouraged industries for foreign investment, stipulating the specific industries, fields and areas in which foreign investors are encouraged and guided to invest.

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The current industry entry clearance requirements governing the investment activities by foreign investors in the PRC are set out in two catalogues, namely the Special Management Measures for the Entry of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》), which was jointly published by the NDRC and the Ministry of Commerce on September 6, 2024 and became effective on November 1, 2024, and the Catalogue of Encouraged Industries for Foreign Investment (2022 Edition) (《鼓勵外商投資產業目錄(2022年版)》), which was jointly published by the NDRC and the Ministry of Commerce on December 15, 2025 and became effective on February 1, 2026. The two catalogues are further classified businesses into three categories with regard to foreign investment: "encouraged", "restricted" and "prohibited". According to the Catalogue of Encouraged Industries for Foreign Investment (2022 Edition), our operation falls within the scope of encouraged industries for foreign investment.

Overseas Investment

According to the Measures for Administration of Overseas Investment (《境外投資管理辦法》), which was published by the Ministry of Commerce on September 6, 2014 and became effective on October 6, 2014, the Ministry of Commerce and provincial competent commerce authorities shall carry out administration either by record-filing or approval, depending on different circumstances of overseas investment by enterprises. Overseas investment by an enterprise that involves sensitive countries and regions or sensitive industries shall be subject to administration by approval. Overseas investment by an enterprise that falls in any other circumstances shall be subject to administration by record-filing.

According to the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》) published by the NDRC on December 26, 2017 and effective from March 1, 2018, for a domestic enterprise (the "Investment Entity") to make an overseas investment, it shall obtain approval or perform record-filing for overseas investment projects (the "Projects"). The scope of approval covers sensitive Projects carried out by Investment Entity directly or through overseas enterprises controlled by them, which specifically include Projects involving sensitive countries and regions as well as sensitive industries. The scope of record-filing covers non-sensitive Projects directly carried out by Investment Entity, which are non-sensitive Projects involving the direct contribution of assets or rights and interests or provision of financing or guarantee by the Investment Entity.

Foreign Exchange Regulation

According to the Circular on Relevant Issues Concerning the Administration of Foreign Exchange for Overseas Listing (《關於境外上市外匯管理有關問題的通知》), which was issued by the SAFE on December 26, 2014 and became effective on the same day, a domestic company shall, within 15 business days from the date of the end of its overseas listing and issuance, register the overseas listing with the SAFE's local branch at the place of its incorporation. The proceeds raised by the domestic companies through overseas listing may be remitted to the domestic account or deposited in an overseas account, provided that the use of the proceeds shall be consistent with those listed in the prospectus and other public disclosure documents.

According to the Circular 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》), which was issued by the SAFE on April 10, 2020, eligible enterprises are allowed to use income under capital accounts, such as their capital funds, foreign credits and the income from overseas listing, for domestic payment, without the need to provide proof materials for veracity to the bank beforehand for each transaction, provided that their capital use shall be authentic and in line with the regulations, and conform to the prevailing administrative regulations on the use of receipts under capital accounts. The concerned bank shall conduct random checks in accordance with relevant requirements.

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Based on the “Notice on Issues Concerning the Fund Management for Overseas Listings of Domestic Enterprises” (《關於境內企業境外上市資金管理有關問題的通知》) jointly issued by the People’s Bank of China and the State Administration of Foreign Exchange on December 26, 2025, which will come into effect on April 1, 2026, domestic enterprises conducting overseas listings shall apply to the bank at their place of registration for overseas listing registration within 30 working days from the first trading day of the overseas listing or after the completion of the over-allotment. Funds raised by domestic enterprises through overseas listings shall, in principle, be repatriated to China in a timely manner. If such funds are retained overseas to engage in activities such as overseas direct investment, overseas securities investment, or overseas lending, approval or filing documents from the competent business authorities must be obtained before the conclusion of the overseas listing issuance or the completion of the over-allotment, and relevant cross-border fund management regulations must be complied with. The use of funds raised from overseas listings shall be consistent with the relevant content disclosed in public documents. Upon the implementation of the “Notice of the People’s Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Fund Management for Overseas Listings of Domestic Enterprises,” the “Notice on Issues Concerning Foreign Exchange Management for Overseas Listings” shall be repealed simultaneously.

LAWS AND REGULATIONS ON OVERSEAS ISSUANCE AND LISTING OF SECURITIES BY DOMESTIC ENTERPRISES

CSRC Filing

On February 17, 2023, the CSRC published certain regulations on the filing management for overseas issuance and listing by domestic companies, including the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) and five supporting guidelines (collectively referred to as the “Overseas Listing Regulations”). According to the Overseas Listing Regulations, PRC domestic companies seeking to issue and list securities in overseas markets, either directly or indirectly, are required to file with the CSRC within three working days after submitting the overseas listing application.

According to the Overseas Listing Regulations, an overseas issuance and listing is not allowed under any of the following circumstances: (i) where such listing and financing is expressly prohibited by laws, administrative regulations or relevant national provisions; (ii) where the overseas issuance and listing may endanger national security as determined by the relevant competent department of the State Council in accordance with the law; (iii) where the domestic enterprise or its controlling shareholder or de facto controller commits a criminal offence of corruption, bribery, embezzlement of property, misappropriation of property or disruption of the socialist market economic order; (iv) where the domestic enterprise is under investigation according to law for suspected crimes or major violations of laws and regulations, and no clear conclusion has been reached; or (v) where there is a material dispute over the ownership of the equity interests held by the controlling shareholder or a shareholder controlled by the controlling shareholder or de facto controller.

In addition, according to the Overseas Listing Regulations, after issuing and listing securities in an overseas market, an issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of the following circumstances: (i) a change in control; (ii) being subject to investigation, penalties, or other measures by overseas securities regulatory authorities or relevant competent authorities; (iii) change of listing status or listing sector, and (iv) voluntary termination or compulsory termination of listing. Domestic companies issuing and listing overseas shall strictly abide by relevant laws, administrative regulations and provisions on national security such as foreign investment, network security, and data security, and earnestly fulfill their obligations to safeguard national security.

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Provisions on Confidentiality and Archives Management of the CSRC

According to the Regulations on Strengthening the Confidentiality and Archives Management 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》), which was jointly published by the CSRC and other authorities on February 24, 2023 and became effective on March 31, 2023, domestic enterprises in their overseas issuance and listing activities, as well as securities companies and securities service providers providing corresponding services to them, shall strictly abide by relevant laws and regulations of the PRC and the requirements of the Regulations, enhance their legal awareness of keeping state secrets and strengthening archives management, establish and improve the confidentiality and archives management system, take necessary measures to fulfill confidentiality and archives management responsibilities, shall not disclose state secrets or work secrets of state organs, nor may they harm national and public interests.

H-share Full Circulation

According to the “Guidelines on the Application for ‘Full Circulation’ Business of Domestic Unlisted Shares of H-share Companies” issued and implemented by the CSRC on November 14, 2019, and most recently revised on August 10, 2023, subject to compliance with relevant laws, regulations, and policies concerning state-owned asset management, foreign investment, and industry supervision, domestic holders of unlisted shares may negotiate and decide on the quantity and proportion of shares to apply for circulation, and authorize the H-share listed company to submit the “Full Circulation” application. The H-share listed company shall apply to the CSRC for “Full Circulation” in accordance with the administrative licensing procedures stipulated in the “Approval of Overseas Public Issuance and Listing of Shares by Joint Stock Limited Companies (Including Additional Issuances)”. After the CSRC approves the “Full Circulation” application, the H-share listed company shall submit a report to the CSRC within 15 days after China Securities Depository and Clearing Corporation Limited (ChinaClear) completes the registration of the shares involved in the application.

LAWS AND REGULATIONS ON LABOR CODE IN VIETNAM

Vietnam’s labor relations are governed by the “Labor Code” (No. 45/2019/QH14), enacted on November 20, 2019, and effective from January 1, 2021, along with its supporting rules. It establishes principles for labor employment, regulates labor relations, and protects workers’ legitimate rights. Employers must sign labor contracts with workers prior to employment — contracts are either fixed-term (maximum 36 months) or open-ended. Vietnamese workers who complete two consecutive fixed-term contracts and continue working are entitled to an open-ended contract, while foreign workers or those reaching retirement age may enter into multiple fixed-term contracts. Probationary terms can be stipulated in the labor contract or a separate probationary agreement. From 1 January 2026, Vietnam has recognised electronic labour contracts (eContracts) that are duly executed and delivered through an authorised eContract platform. Each valid eContract is assigned a unique identifier by the competent labour authority. The official eContract platform is expected to become operational on 1 July 2026. Notwithstanding the foregoing, Vietnamese authorities continue to recognise the validity and enforceability of traditional paper-based labour contracts executed with wet-ink signatures.

Wages must not be lower than the statutory minimum, which is 4,730,000 Vietnamese Dong per month for Region II (determined by the employer’s registered location) and subject to periodic adjustments. Wages for Vietnamese workers are paid in Vietnamese Dong, while foreign workers may receive wages in foreign currency. Probationary wages shall not be less than 85% of the official position wage, and employers must provide detailed wage statements each payment cycle, including base pay, overtime pay, night shift pay, and any deductions. Since January 1, 2026, for Vietnamese employees and foreign employees who qualify as resident taxpayers in Vietnam, the entire amount of

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night-shift pay and overtime pay is exempt from personal income tax (PIT). For foreign employees and other individuals who are treated as non-resident taxpayers, the same PIT exemption will be applicable since July 1, 2026.

Foreign workers must hold a valid work permit or exemption certificate to be employed in Vietnam. Work permits can be extended once, after which a new application is required. Documents related to foreign workers must undergo consular authentication, Vietnamese translation, and notarization before submission to authorities. Vietnamese law permits employees to form and join trade unions, which act as representative organizations to safeguard workers' rights in labor relations. Special protection is granted to vulnerable groups, including pregnant women, minors (under 18), elderly workers, disabled workers, and domestic workers. Individual labor disputes may be resolved through labor mediators, labor arbitration committees, or people's courts.

New Resolution 66.18/2026/QĐ-CP taking effect from May 18, 2026 amend the requirement for the outsourcing labor service. One of the key amendments is the removal of the requirement for a Labour Outsourcing Operation Licence. Instead, a labour outsourcing service provider is only required to maintain a deposit of VND2 billion at a commercial bank in Vietnam and submit a notification to the competent Department of Home Affairs prior to commencing operations. The provincial or municipal Department of Home Affairs is responsible for compiling and publishing a list of qualified labour outsourcing service providers operating within its jurisdiction. Companies who wish to use employees outsourced by such labor outsourcing service provider shall check the qualification on published websites of Department of Home Affairs.

LAWS AND REGULATIONS ON INVESTMENT LAW IN VIETNAM

Investment activities in Vietnam are primarily regulated by the Investment law (No. 143/2025/QH15), enacted on December 11, 2025, and effective from March 1, 2026, which outlines core principles, market access conditions, and procedural requirements for investment.

Permitted investment forms include establishing economic organizations, contributing capital, acquiring shares, implementing investment projects, and entering into Business Cooperation Contracts (BCC). Foreign investors establishing an economic organisation should obtain both requisite certificates: an Investment Registration Certificate (IRC) for the investment project and an Enterprise Registration Certificate (ERC) for the establishment of such economic organisation. Generally, foreign investors may obtain the IRC either before or after obtaining the ERC. Vietnam also maintains a list of prohibited investment sectors, to which e-cigarettes and heated tobacco products were officially added from 1 March 2026.

A foreign investor is defined as a foreign national or organization established under foreign law conducting business in Vietnam. A foreign-invested economic organization has foreign members or shareholders and must comply with foreign investment conditions if: (1) foreign investors hold over 50% of registered capital, or a majority of general partners in a partnership are foreign individuals; (2) an economic organization meeting the first condition holds over 50% of registered capital; (3) foreign investors and such economic organizations jointly hold over 50% of registered capital.

During project implementation, any changes to the Investment Registration Certificate require timely modification with competent authorities — non-compliance may result in administrative penalties. Investors in designated zones (e.g., industrial parks, free trade zones) may use simplified procedures, submitting written commitments to comply with construction, environmental, and fire safety standards, along with a project proposal (including environmental impact mitigation measures) instead of multiple approvals. The procedure and application dossiers in case of the amendment of investment project are amended by the Decree 96/2026/ND-CP, taking effect from March 31, 2026.

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Investors must submit quarterly/annual project progress reports and semi-annual/annual supervision reports online; failure to fulfill reporting obligations incurs penalties. From April 22, 2026, the Company shall submit the new form of report on investment monitoring and evaluation activities in accordance with Circular 44/2026/TT-BTC via the new website address of Ministry of Finance.

LAWS AND REGULATIONS ON ENTERPRISE LAW IN VIETNAM

Enterprise-related matters are governed by the "Enterprise Law" (No. 59/2020/QH14), enacted on June 17, 2020, effective from January 1, 2021, and amended by No. 76/2025/QH15 (effective July 1, 2025). Recognized enterprise types include single-member/multi-member limited liability companies, joint-stock companies, and private enterprises, all of which must obtain "Enterprise Registration Certificate" specifying the enterprise name, tax code, headquarters address, legal representative details, and registered capital.

For single-member limited liability companies, registered capital is the total value of assets committed by the investor, as recorded in the articles of association. Capital increases may be achieved through additional contributions from the existing investor or by admitting new investors — this latter option requires restructuring into a multi-member limited liability company or joint-stock company. Capital decreases are permitted only in two scenarios: (1) refunding part of the paid-in capital to the investor, provided the company has operated for at least 2 years and can fully settle all debts post-refund; (2) the investor fails to fulfill the initial capital contribution commitment.

Single-member limited liability companies with organizational investors may adopt one of two management models: (1) Chairman plus Manager/General Manager; (2) Members' Assembly plus Manager/General Manager. Changes to registered information must be reported to local business registration authorities within 10 days of the change — non-compliance leads to administrative penalties and orders to rectify.

LAWS AND REGULATIONS ON ENVIRONMENTAL LAW IN VIETNAM

Environmental regulations are based on the "Environmental Protection Law" (No. 72/2020/QH14), enacted on November 17, 2020, and effective from January 1, 2022. Investment projects involving battery production are classified as Category II and require an environmental license, with a valid term of seven (7) to ten (10) years depending on the project type. Projects already in operation before January 1, 2022, must complete license applications by January 1, 2025, unless they hold valid sub-environmental licenses. Operating without the required license results in administrative penalties, which may include suspension of business for rectification.

Environmental licenses must specify project details, permitted environmental activities, protection requirements, and validity periods. Enterprises must submit annual environmental reports (in paper or electronic form) to the Bac Ninh Provincial Department of Agriculture and Environment, covering their production, business, and service-related environmental practices. Failure to submit complete reports incurs administrative penalties.

Previously, investors of investment projects were required to provide environmental information to the competent environmental management authority, including information relating to pollutant sources and emissions; environmental protection measures implemented by the project; solid waste, hazardous waste, wastewater, exhaust gases and other regulated waste streams; environmental impact assessment reports; environmental protection inspection results; and environmental statistics, environmental quality indicators and pollution data.

Resolution No. 66.19/2026/QĐ-CP, effective from May 18, 2026, has abolished the above information disclosure and reporting requirements.

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Separately, new Decree 48/2026/ND-CP taking effect from January 29, 2026, regulating the new regulation on hazardous waste treatment. New Circular 09/2026/TT-BNNMT taking effect from January 29, 2026, regulating the new administrative procedures in environmental section.

LAWS AND REGULATIONS ON OCCUPATIONAL SAFETY AND HEALTH LAW IN VIETNAM

Occupational safety and health are regulated by the “Occupational Safety and Health Law” (No. 84/2015/QH13), enacted on June 25, 2015, and effective from July 1, 2016. This law sets out safety and health standards, treatment for work-related injuries and occupational diseases, and defines responsibilities for organizations, individuals, and state supervision.

Enterprises are obligated to implement comprehensive workplace safety measures, including safety training, formulating internal rules, providing safe equipment and protective gear, and conducting health checks. General employees require annual health checks, while those in high-risk roles (heavy labor, toxic/hazardous work), minors, the elderly, and disabled workers must undergo checks every six months. Enterprises must report, investigate, and record work-related accidents, occupational diseases, and major technical accidents, and comply with supervision decisions. For equipment and materials with strict safety requirements, employees must receive prior training before use. Deployment, decommissioning, or scrapping of such equipment must be reported to provincial or municipal authorities, and enterprises must maintain safety technical files and conduct regular inspections and maintenance.

New Resolution 66.18/2026/QD-CP taking effect from May 18, 2026 amend the requirement for the use of and dispose of machinery and equipment requiring strict occupational safety and health. Under the new regulations, enterprises are only required to notify the competent People’s Committee before putting such machinery and equipment into use. There is no longer any requirement to notify the authority when such machinery or equipment is disposed of, decommissioned or ceases operation. In addition, the notification procedure is now a one-way filing process. Upon receipt of the notification, the competent authority will not issue any written confirmation or certificate acknowledging the declaration of use of machinery, equipment or materials subject to strict occupational safety and health requirements.

LAWS AND REGULATIONS ON LAND LAW IN VIETNAM

Land-related matters are governed by the “Land Law” (No. 31/2024/QH15), enacted on January 18, 2024, and effective from January 1, 2025. It clarifies land ownership (held by the state on behalf of the people), state management powers, and the rights and obligations of land users.

Foreign-invested economic organizations leasing infrastructure-attached land in industrial parks and paying annual rent enjoy specific legal rights: obtaining certificates for land use rights and ownership of land-attached assets (if meeting legal conditions); mortgaging land-attached assets to qualified credit institutions or individuals; selling such assets or transferring leasehold rights (in compliance with the “Land Law”); contributing land-attached assets as capital (with the transferee continuing the land lease for the remaining term); and leasing land-attached assets or leasehold rights.