Our business operations are subject to extensive supervision and regulation by the PRC Government. This section sets out a summary of the material laws, regulations and policies to which we are subject.

LEGAL SUPERVISION OVER PROPERTY MANAGEMENT SERVICES

Foreign Invested Property Management Enterprises

The establishment, operation, and management of corporate entities in the PRC is governed by the PRC Company Law (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the National People's Congress of the PRC (the "SCNPC") on 29 December 1993, and came into effect on 1 July 1994. The Company Law was subsequently amended on 25 December 1999, 28 August 2004, 27 October 2005, 28 December 2013, and 26 October 2018. The Company Law generally governs two types of companies, namely limited liability companies and joint-stock limited companies, both of which have the status of legal persons, and the liability of shareholders of a limited liability company or a joint-stock limited company is limited to the amount of registered capital they have contributed. The Company Law shall also apply to foreign-invested companies in the form of limited liability company or joint-stock limited company. Where laws on foreign investment have other stipulations, such stipulations shall apply.

According to the Provisions on Guiding the Orientation of Foreign Investment (《指導外商投資方向規定》) (No. 346 Order of the State Council) (issued by the State Council on 11 February 2002 and came into effect on 1 April 2002), foreign investment projects are divided into four categories, namely "encouraged", "permitted", "restricted" and "prohibited" categories. According to the Special Administrative Measures for Access of Foreign Investment (Negative List) (Edition 2021) (《外商投資准入特別管理措施(負面清單)(2021年版)》) issued by the NDRC and the MOFCOM on 27 December 2021 and came into effect on 1 January 2022, the property management service does not fall into such categories which foreign investment is restricted or prohibited.

On 30 December 2019, the Ministry of Commerce and the State Administration of Market Regulation issued the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which came into effect on 1 January 2020 . Since 1 January 2020, for foreign investors carrying out investment activities directly or indirectly in China, the foreign investors or foreign-invested enterprises shall submit investment information to the commerce authorities pursuant to these measures. On 15 March 2019, the National People's Congress approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), which came into effect on 1 January 2020 and replaced the Sino-Foreign Equity Joint Venture Enterprise Law, the Sino-Foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-Invested Enterprise Law, and became the legal foundation for foreign investment in the PRC. On 26 December 2019, the State Council issued the Regulations on Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》), which came into effect on 1 January 2020 and replaced the Regulations on Implementing the Sino-Foreign Equity Joint Venture Enterprise Law, Provisional Regulations on the Duration of Sino-Foreign Equity Joint Venture Enterprise Law, the Regulations on Implementing the Wholly Foreign-Invested Enterprise Law and the Regulations on Implementing the Sino-foreign Cooperative Joint Venture Enterprise Law.

The Foreign Investment Law sets out the basic regulatory framework for foreign investments and proposes to implement a system of pre-entry national treatment with a negative list for foreign investments, pursuant to which (i) foreign natural persons, enterprises or other organisations (collectively the "foreign investors") shall not invest in any sector forbidden by the negative list for access of foreign investment, (ii) for

any sector restricted by the negative list, foreign investors shall conform to the investment conditions provided in the negative list, and (iii) sectors not included in the negative list shall be managed under the principle that domestic investment and foreign investment shall be treated equally. The Foreign Investment Law also sets forth necessary mechanisms to facilitate, protect and manage foreign investments and proposes to establish a foreign investment information report system in which foreign investors or foreign-funded enterprises shall submit the investment information to competent departments of commerce through the enterprise registration system and the enterprise credit information publicity system.

Qualification of Property Management Enterprises

According to the Decision of the State Council on Cancelling the Third Batch of Administrative Licencing Items Implementation by Local Governments Designated by the Central Government (《國務院關於第三批取消中央指定地方實施行政許可事項的決定》) issued by the State Council on 12 January 2017 and came into effect on the same day, second class or below property management company qualifications acknowledged by Provincial and municipal government departments of Housing and Urban-Rural Development were cancelled.

According to the Decision of the State Council on Cancelling a Group of Administrative Licencing Items (《國務院關於取消一批行政許可事項的決定》) issued by the State Council on 22 September 2017 which came into effect on the same day, qualification accreditation for property management enterprises of Level One was cancelled. According to the Notice of the General Office of Ministry of Housing and Urban-Rural Development on Effectively Implementing the Work of Cancelling the Qualification Accreditation for Property Management Enterprises (《住房城鄉建設部辦公廳關于做好取消物業服務企業資質核定相關工作的通知》) issued by the General Office of Ministry of Housing and Urban-Rural Development on 15 December 2017 and came into effect on the same day, application, change, renewal or re-application of the qualifications of property management enterprises shall not be accepted, and the qualifications obtained already shall not be a requirement for property management enterprises to undertake new property management projects. On 19 March 2018, the State Council issued Decision of the State Council to Amend and Repeal Certain Administrative Regulations (《國務院關于修改和廢止部分行政法規的決定》) (Order of the State Council No. 698), according to which the Regulations on Reatly Management (《物業管理條例》) was amended. The Regulations on Reatly Management (2018 revision) (《物業管理條例》) (2018年修正) has removed the qualification accreditation of the property management enterprises.

Procedures to convene a general meeting of property owners and establish a property owners' association

According to the Regulations on Property Management (《物業管理條例》), the property owners within a single property management area shall, under the direction of street office or township people's government or the real estate administration department of the county or district people's government where the relevant real estate is situated, convene a general meeting of property owners and elect a property owners' association. However, where there is only one property owner or where there are relatively few property owners and they are all in agreement, the property owner(s) may choose not to convene a general meeting of property owners, in which case the functions assigned to both a general meeting of property owners and property owners' association shall be performed by the owner(s). The Guidance Rules of the General Meeting of the Property Owners and the Property Owners' Association (《業主大會和業主委員會指導規則》) which promulgated by MOHURD on 1 December 2009 and came into effect on 1 January 2010, provides a practical guideline for the establishment and governance of the general meeting of property owners and property owners' association, and the supervision of the real estate administrative department of the local government.

According to the PRC Civil Code (《中華人民共和國民法典》), the general meeting of property owners may vote to establish a property owners' association. The property owners' association is elected by the property owners, and represents their interest in matters related to property management, and the association's decisions are binding on the property owners. Property owners of nonresidential properties are not required to establish a property owners' association under the relevant PRC laws and regulations.

Appointment of Property Management Companies

According to the PRC Civil Code (《中華人民共和國民法典》) (Presidential Decree No. 45) issued by the National People's Congress on May 28, 2020 and came into effect on 1 January 2021, property owners can either manage the buildings and ancillary facilities by themselves or may entrust a property management company or any other managers. The property management company or any other manager shall, upon the entrustment of the owners and pursuant to the relevant provisions of Part III of this Code governing property service contracts, manage the building and ancillary facilities thereof within the building's premises planned, accept the supervision of the owners and make timely replies to the inquiries of the owners about the property services. The property management company or manager shall implement the emergency measures and other management measures adopted by the government pursuant to the law, and actively cooperate in the relevant tasks.

According to the Regulations on Property Management (2018 revision) (《物業管理條例》) (2018年修正), a general meeting of the property owners of a community can engage or dismiss the property management companies with affirmative votes of owners who own more than half of the total GFA of the exclusive area of the community and who account for more than half of the total number of the property owners. Property owners' association, on behalf of the general meeting, shall sign property management contract with property management companies engaged at the general meeting. Before the engagement of a property management company by property owners and a general meeting of the property owners, a written preliminary service contract should be entered into between the property developer and the selected and engaged property management company. The preliminary property management contract may stipulate the contract duration. If the property management contract signed by the property owners' association and the property management company comes into force within the term of preliminary property management, the preliminary property management contract automatically terminates. Property developers of residential buildings shall enter into preliminary property management service agreements with property management enterprises through tender process in accordance with the Regulations on Property Management.

According to the Regulations on Property Management and the Interim Measures for Tender and Bidding Management of Preliminary Property Management (《前期物業管理招標投標管理暫行辦法》) issued by the Ministry of Construction on 26 June 2003 and came into effect on 1 September 2003, developer of residential buildings and non-residential buildings in the same property management area shall engage property management enterprises by inviting bid. In case where there are less than three bidders or for small-scale properties, the developer can hire property management companies by signing an agreement with the approval of the real estate administrative department of the local government of the place where the property is located. Bid assessment shall be the responsibility of the bid assessment committee established by the bid inviter in accordance with relevant laws and regulations. The bid assessment committee shall be composed of the representative of the bid inviter and experts in the related property management fields and the number of members shall be an odd number at or above five. The expert members shall represent at least two-thirds of the total members. Expert members in the bid assessment committee shall be determined by random select from the

roster of experts established by the competent real estate administrative department. A person having an interest with a bidder shall not join the bid assessment committee of the related project. According to the Regulations on Property Management (2018 revision) (《物業管理條例》) (2018年修正), where the developer fails to hire the property management company through a tender and bidding process or hire the property management company by signing agreement without approval, the local real estate administrative department of the local government at the county level or above shall order the developer to make correction within a prescribed time limit, issue a warning and may impose with the penalty of no more than RMB100,000.

On May 15, 2009, the Supreme People's Court promulgated the Interpretation of the Supreme People's Court on Several Issues Concerning the Specific Application of Law in the Trial of Cases of Disputes over Property Management Service (《最高人民法院關於審理物業服務糾紛案件具體應用法律若干問題的解釋》), which came into effect on October 1, 2009 and was amended as the Interpretation of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Cases of Disputes over Property Management Service (《最高人民法院關於審理物業服務糾紛案件適用法律若干問題的解釋》) effective from January 1, 2021. It stipulates the interpretation principles applied by the court when hearing disputes on specific matters between property owners and property management enterprises.

Fees Charged by Property Management Enterprises

According to the Measures on the Charges of Property Management Enterprise (《物業服務收費管理辦法》) which was jointly issued by the NDRC and the Ministry of Construction (revised as the Ministry of Housing and Urban-Rural Development) on 13 November 2003 and came into effect on 1 January 2004, property management companies are permitted to charge fees from owners for the repair, maintenance and management of houses and ancillary facilities, equipment and venues and maintenance of the sanitation and order in relevant regions according to related property management service contract. The fees charged by property management companies nationwide are regulated by the competent price administration department and construction administration department of the State Council. The competent price administration department of the local people's governments at or above the county level and the competent property administration departments at the same level are responsible for supervising and regulating the fees charged by property management companies in their respective administrative regions. The fees charged by property management companies shall be determined with references to the government guidance price or market price, which is based on the nature and features of relevant properties to which the property management services are provided. The specific pricing principles shall be determined by the competent price administration departments and property administration departments of the local governments of each province, autonomous region and municipality.

Property management companies shall charge service fees at an expressly marked prices according to the regulations of competent price administration departments of the people's government, revealing the service information, standards, charged items and standards to the public at prominent positions within the property management region. According to the Provisions on Clearly Marking the Prices of Property Services (《物業服務收費明碼標價規定》), which was jointly issued by the NDRC and the Ministry of Construction (revised as the Ministry of Housing and Urban-Rural Development) on 19 July 2004 and came into effect on 1 October 2004, property management companies shall clearly mark the price, state service items and standards and relevant information on services (including the property management services as stipulated in the property management service agreement as well as other services requested by property owners) provided to the owners. If the

charging standard changes, property management companies shall adjust all relevant information one month before implementing the new standard and indicate the date of implementing the new standard.

According to the Property Management Pricing Cost Supervision and Examination Approaches (Trial) (《物業服務定價成本監審辦法(試行)》), which was jointly issued by the NDRC and the Ministry of Construction (revised as the Ministry of Housing and Urban-Rural Development) on 10 September 2007 and came into effect on 1 October 2007, the competent price administration department of people's government formulates or regulates property management charging standards, the pricing cost of property management services should be the social average cost of community property services as verified by the competent price administration department of the people's government. With the assistance of competent real estate administrative department, competent pricing department is responsible to organise the implementation of the property management pricing cost supervision and examination work. Property management service pricing cost shall include staff costs, expenses for daily operation and maintenance on public facilities and equipment, green conservation costs, sanitation fee, order maintenance cost, public facilities and equipment as well as public liability insurance costs, office expenses, shared administration fee, fixed assets depreciation and other fees approved by property owners.

According to the Circular of NDRC on the Opinions on Liberalising Price Controls in Certain Services (《國家發展和改革委員會關于放開部分服務價格意見的通知》), which was promulgated by NDRC and became effective on 17 December 2014, the competent price departments of all provinces, autonomous regions and direct municipalities under the PRC Government are supposed to perform relevant procedures to liberalise the prices of the following types of services that have met the relevant conditions: (1) Property management services for non-government-supported houses. Property management fees are fees charged by property management service providers for the maintenance, conservation and management of non-government-supported houses, their supporting facilities and equipment and the relevant sites thereof, maintaining the environment, sanitation, and order within the geographical scope of the managed properties, and other actions entrusted by the property owner in accordance with the property management service contract. The provincial price authorities shall, jointly with the housing and urban-rural development administrative authorities, implement government guidance prices for property management fees charged in relation to government-supported houses, houses under housing reform, older residential communities and preliminary property management services with regard to the actual situation. (2) Parking services in residential communities. Fees charged by property management service providers or parking service companies from property owners or users of residential areas for the providing and management of parking spaces and parking facilities in accordance with the agreed parking service contract.

On 13 July 2021, MOHURD and other seven departments promulgated the Notice on Continued Rectification and Standardization of the Real Estate Market Order (《住房和城鄉建設部等8部門關於持續整治規範房地產市場秩序的通知》) to continue to rectify and standardise the real estate market order in the fields of real estate development, property sale and purchase, housing leasing and property management services. The following items are the key points of rectification in the fields of property management services: failing to provide services in accordance with the agreed content and standards of the property management contract; failing to publicise the property management charging item standards, the operation and income of the owner's common part, the use of maintenance funds and other relevant information in accordance with the regulations; charging fees beyond the contractual agreement or publicising the charging item standards; unauthorised use of the owner's shared part to carry out business activities, infringement and misappropriation of the owner's shared

part of the operating income; refuse to withdraw from the property management project without proper reason after the property management contract is terminated lawfully. For property management enterprise that violate laws and regulations within their respective jurisdictions, measures such as warning and interview, suspension of business for rectification, revocation of business license and qualification certificate etc. shall be adopted pursuant to the laws and regulations, and shall be exposed to the public; any case constituting a criminal offence shall be referred to the public security and judicial authorities for investigation and punishment pursuant to the law.

Property Management Service Outsourcing

According to the Regulations on Property Management, a property management enterprise may outsource a specific service within the property management area to a specialised service enterprise, but it shall not outsource all the property management business within such area to third parties. Where a property management enterprise outsource all the property management business within such area to third parties, the competent real estate administrative department of the local government at the county level or above shall order it to rectify the situation within a prescribed time limit, and impose on it a fine ranging from 30% to 50% of the price of the outsourcing contract.

According to the PRC Civil Code, where a property management enterprise delegates some specialised services in the property management service area to a specialised service organisation or any other third party, the property management enterprise shall be responsible to owners for the specialised services. A property management enterprise shall not delegate to a third party all the property management services it should provide, or delegate all property management services as divided to third parties respectively.

LEGAL SUPERVISION OVER ENGINEERING AND CONSTRUCTION SERVICES

According to the Construction Law of the PRC (《中華人民共和國建築法》) (No. 91 Order of the President of the PRC) issued by the SCNPC on 1 November 1997 and came into effect on 1 March 1998, which was amended on 22 April 2011 and 23 April 2019, construction enterprises, surveying units, design units and construction supervision units engaging in construction activities are classified into different qualification levels according to their qualification conditions such as their registered capital, professional technical staffs, technical equipment and performance records of their completed construction works, and they may only engage in construction activities within the scope specified for them in terms of their grades after passing qualification examination and obtaining the appropriate qualification grade certificates. It is an offence to contract for projects exceeding the limit of an enterprise's qualification and the offender may be subject to an order to cease the illegal act, fine, suspension of business for rectification or qualification downgrade; in more serious cases, an offender's qualification may be revoked and the illegal gains may be confiscated. If an enterprise contracts for a project without qualification, the offender may be banned, be subject to a fine and the illegal gains may be confiscated.

According to the Administrative Provisions on the Qualification of Construction Enterprises (《建築業企業資質管理規定》) which was issued by the Ministry of Housing and Urban-Rural Development of the PRC on 22 January 2015 and came into effect on 1 March 2015, and was amended on 13 September 2016, and 22 December 2018, the qualifications of construction enterprises are classified into three sequences, namely, general construction contracting qualification, professional contracting qualification and construction labour

qualification. The second-grade qualification in the sequence of qualification for professional contracting (excluding the second-grade qualification for professional contracting in respect of railways and civil aviation) of construction enterprises shall be granted by the administrative departments in charge of housing and urban-rural development of the people's governments of provinces, autonomous regions and centrally-administered municipalities where industrial and commercial registration of the enterprises is handled.

LEGAL SUPERVISION OVER THE INTERNET INFORMATION SERVICES

According to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》), which was issued by the State Council on 25 September 2000 and came into effect on the same day and revised on 8 January 2011, Internet information service refers to the provision of information through Internet to web users, and includes two categories: commercial and non-commercial. Commercial internet information service refers to the service activities of charged provision to online subscribers through the internet of information or website production. Non-commercial Internet service refers to the provision free of charge of public, commonly-shared information through the Internet to web users. Entities engaged in providing commercial Internet information service shall apply for a licence for value-added telecommunication services of Internet information services. As for the operation of non-commercial Internet information services, record-filing is required. Internet information service provider shall provide services within the scope of their licences or filing.

Non-commercial Internet information service providers shall not provide services with charges. In case an Internet information service provider changes its services, website address, etc., it shall apply for approval or filing 30 days in advance at the relevant government department. Where an entity provides commercial Internet information service without a licence or provides service beyond the scope of the licence, provincial telecommunication administrative department shall order it to make correction within a prescribed time limit. Where there are illegal gains, such gains shall be confiscated; and a fine more than three times but less than five times of such gains shall be imposed. Where there is no illegal gain or the gain is less than RMB50,000, a fine of RMB100,000 to RMB1 million shall be imposed. Where the circumstance is serious, the website shall be ordered to shut down. Where an entity provides non-commercial Internet information service without a filing, provincial telecommunication administrative department shall order it to make corrections within a prescribed time limit and to shut down the website if it refused to make corrections.

LEGAL SUPERVISION OVER SECURITY AND GUARDING SERVICES

According to the Regulation on the Administration of Security and Guarding Services (《保安服務管理條例》), which was promulgated by the State Council on 13 October 2009 and became effective on 1 January 2010, and revised on 29 November 2020 and 29 March 2022, guard, patrolling, order maintenance and other services in a property management region conducting by the personnel who are recruited by a property service entity is one of the security service. An entity recruiting security guards by itself shall, within 30 days after the start of security and guarding services, file with the public security organ of the people's government of the local districted city with the following materials (i) a certificate on the legal person status; (ii) basic information about the legal representative (chief person in charge), the divisional person in charge and the security guards; (iii) basic information about the security and guarding service area; and (iv) information about the establishment of security and guarding service management system, accountability system, and security guard management system. Where such an entity no longer recruits security guards for security and guarding services, it shall,

within 30 days from the date of termination of the security and guarding services, cancel the filing of service in the original public security organ.

LEGAL SUPERVISION OVER LABOUR PROTECTION IN THE PRC

According to the Labour Law of the PRC (《中華人民共和國勞動法》) which was issued by the SCNPC on 5 July 1994, came into effect on 1 January 1995 and amended on 27 August 2009 and 29 December 2018, employers shall develop and improve their rules and regulations in accordance with the law to ensure that workers enjoy their labour rights and perform their labour obligations. Employers shall develop and improve the system of labour safety and sanitation, strictly implement the national protocols and procedures on labour safety, guard against labour safety accidents and reduce occupational hazards. Labour safety and sanitation facilities shall meet the relevant national standards. Employers must provide workers with the necessary labour protection equipment that meets the safety and hygiene conditions stipulated under national regulations by the State, and conduct regular health cheques for workers who engage in operations with occupational hazards. Labourers engaged in special operations must have received specialised training and obtained the pertinent qualifications.

According to the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》) issued by the SCNPC on 29 June 2007, came into effect on 1 January 2008 and revised on 28 December 2012, came into effect on 1 July 2013 and the Implementation Regulation on Labour Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) (No. 535 Order of the State Council), promulgated by the State Council on 18 September 2008 and became effect on the same day, regulate both parties through a labour contract, namely the employers and the employees, and contain specific articles involving the terms of the labour contract. Meanwhile, it is stipulated that labour contracts must be concluded in written forms, upon reaching an agreement after due negotiation, an employer and an employee may enter into a fixed-term labour contract, a non-fixed-term labour contract or a labour contract that concludes upon the completion of certain work assignments. After reaching an agreement upon due negotiation with employees or by fulfilling other circumstances in line with legal conditions, an employer may legally terminate a labour contract and dismiss its employees. Labour contracts concluded before the enactment of Labour Contract Law and existing during its effective term shall continue to be honoured. With respect to circumstances where an employment relationship has already been established without the conclusion of a written labour contract before the enactment of Labour Contract Law, the written labour contract shall be concluded within one month from the date on the enactment of Labour Contract Law.

As required under the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), the Decisions on the Establishment of a Unified Program for Basic Old-Aged Pension Insurance for Employees of Corporations of the State Council (《國務院關於建立統一的企業職工基本養老保險制度的決定》), the Decisions on the Establishment of the Medical Insurance Program for Urban Workers of the State Council (《國務院關於建立城鎮職工基本醫療保險制度的決定》), the Regulation of Insurance for Work-Related Injury (《工傷保險條例》), the Regulations on Unemployment Insurance (《失業保險條例》), the Provisional Measures on Insurance for Maternity of Employee (《企業職工生育保險試行辦法》), the Interim Regulation on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), the Administrative Regulation on Housing Provident Fund (《住房公積金管理條例》) and other related regulations, rules and provisions issued by the relevant governmental authorities from time to time, enterprises in China are obliged to provide employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, injury insurance, medical insurance and housing provident fund.

According to the Social Insurance Law of PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on 28 October 2010 and became effective on 1 July 2011 and further amended on 29 December 2018, employees shall participate in basic pension insurance, basic medical insurance and unemployment insurance. Basic pension, medical and unemployment insurance contributions shall be paid by both employers and employees. Employees shall also participate in work-related injury insurance and maternity insurance. Work-related injury insurance and maternity insurance contributions shall be paid by employers rather than employees. An employer shall make registration with the local social insurance agency in accordance with the provisions of the Social Insurance Law of PRC. For employers failing to conduct social insurance registration, the administrative department of social insurance shall order them to make corrections within a prescribed time limit; if they still fail to do so within the time limit, employers shall have to pay a penalty over one time but no more than three times of the amount of the social insurance premium payable by them, and their executive staff and other directly responsible persons shall be fined RMB500 to RMB3,000. Also, it has consolidated the legal obligations and liabilities of employers who fail to promptly contribute social insurance contributions in full amount, those employers shall be ordered by the social insurance collection agency to make or supplement contributions within a designated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day of the outstanding contribution amount; where payment is not made within the designated period, the relevant administrative authorities shall impose a fine ranging from one to three times of the outstanding contribution amount.

According to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》), issued by the State Council on 3 April 1999 and became effective on the same day, and was amended on 24 March 2002 and 24 March 2019, the housing provident fund contributions made by an individual employee and housing provident fund contributions made by his or her employer shall be owned by the individual employee. Employers shall timely pay the housing provident fund in full and overdue or insufficient payment shall be prohibited. Employers shall process the housing fund payments and deposit registrations with the housing provident fund administrative centre. For enterprises who violate the laws and regulations and fail to apply for housing provident fund deposit registration or open housing provident fund accounts for their employees, the housing provident fund administrative centre shall order the relevant enterprises to make corrections within a designated period. Those enterprises failing to process registration provident fund accounts for their employees within the designated period shall be subject to a fine ranging from RMB10,000 to RMB50,000. When enterprises violate those provisions and fail to pay the housing provident fund in full amount as due, the housing provident fund administrative centre will order such enterprises to pay up the amount within a prescribed period; if those enterprises still fail to comply with the regulations upon the expiration of the above-mentioned time limit, further application will be made to the People's Court for mandatory enforcement.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark Law

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》), issued by the SCNPC on 23 August 1982, came into effect on 1 March 1983 and amended on 22 February 1993, 27 October 2001, 30 August 2013 and 23 April 2019 and the Implementation Regulation of the PRC trademark Law (《中華人民共和國商標法實施條例》), adopted by the State Council on 29 April 2014 and came into effect on 1 May 2014. The Trademark Office under the SAMR handles trademark registration and grants registered

trademarks for a validity period of 10 years. Trademarks may be renewable every ten years where a registered trademark needs to be used after the expiration of its validity period. Trademark registrants may licence, authorise others to use their registered trademark by signing up a trademark licence contract. The trademark licence agreements shall be submitted to the trademark office for recording. For trademarks, trademark law adopts the principle of "prior application" with respect to trademark registration. Where a trademark under registration application is identical with or similar to another trademark that has, in respect of the same or similar commodities or services, been registered or, after preliminary examination and approval, this application for such trademark registration may be rejected. Anyone applying for trademark registration shall not prejudice the existing right first obtained by anyone else, or forestall others by improper means in registering a trademark which others have already begun to use and enjoyed certain degree of influence.

Copyright Law

The Copyright Law of the PRC (《中華人民共和國著作權法》), issued by the SCNPC on 7 September 1990, came into effect on 1 June 1991 and revised on 27 October 2001, 26 February 2010 and 11 November 2020, providing that works of Chinese citizens, legal persons or other organisations, which include, works of literature, art, natural sciences, social sciences, engineering technologies and computer software created in writing or oral or other forms, whether published or not, enjoy copyright in their works. Copyright holders may enjoy multiple rights, which include the right of publication, the right of authorship and the right of reproduction. The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》), promulgated by the National Copyright Administration on 20 February 2002, and came into effect on the same day, regulates registrations of software copyright, the exclusive licencing contracts for software copyright and transfer contracts of software copyright. The National Copyright Administration of PRC shall be competent authority for the registration and management of national software copyright and the Copyright Protection Centre of China is the software registration organisation authority. The Copyright Protection Centre of China shall grant registration certificates to the computer software copyright applicants which conforms to the regulations of both the Computer Software Copyright Registration Measures and the Regulations on Protection of Computers Software (《計算機軟件保護條例》), issued by the State Council on 4 June 1991, and amended on 20 December 2001, and further revised on 8 January 2011 and 30 January 2013.

Provisions of the Supreme People's Court on Certain Issues Concerning the Application of Law in the Trail of Civil Cases Involving Disputes over Infringement of the Right of Dissemination through Information Networks (《最高人民法院關于審理侵害信息網絡傳播權民事糾紛案件適用法律若干問題的規定》), issued by the Supreme People's Court on 17 December 2012 and came into effect on 1 January 2013 and revised on December 29, 2020, provides that web users or web service providers who, through information networks, create works, performances, or audio-video products in which the right holders enjoy the transmission right of information network without due authorisation, they shall be deemed to have infringed upon the transmission right of information network by the people's court.

Domain Name

The Measures on the Administration of Domain Names (《互聯網域名管理辦法》), issued by the Ministry of Industry and Information Technology on 24 August 2017 and came into effect on 1 November 2017, the Ministry of Industry and Information Technology shall be responsible for managing Internet network domain names in PRC. The principle of "first-to-file" ("first come, first served") is adopted for domain name services.

The applicant of domain name registration shall provide the agency of domain name registration with the true, accurate and complete information relating to the domain name to be applied for, and sign the registration agreements as well. Upon the completion of the registration process, the applicant will become the holder of the relevant domain name.

LEGAL REGULATIONS OVER TAX IN THE PRC

Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "EIT Law"), promulgated by the National People's Congress on 16 March 2007 and came into effect on 1 January 2008 and revised on 24 February 2017 and 29 December 2018 and the Implementation Regulations on the Corporate Income Tax Law (《企業所得税法實施條例》) ("Implementation Regulations of the EIT Law"), issued by the State Council on 6 December 2007, came into effect on 1 January 2008 and was amended on 23 April 2019, the tax rate of 25% will be applied to the income related to all PRC enterprises, foreign-invested enterprises and foreign enterprises which have established production and operation facilities in the PRC. These enterprises are classified into as either resident enterprises or non-resident enterprises. Enterprises which are established in accordance with the law of the foreign country or region, but whose actual administration institutions (referring to the institutions conducting substantive and all-around management and control over the enterprises production, operation, personnel, accounting matters, finance, etc.) are in PRC, are deemed as resident enterprises. Thus, the tax rate of 25% applies to their income from both inside and outside PRC.

According to the EIT Law and the Implementing Regulations of the EIT Law, for dividends payable to investors that are non-resident enterprises (who do not have organisations or places of business in the PRC, or that have organisations and places of business in PRC but to whom the relevant income tax is not effectively connected), 10% of the PRC withholding tax shall be paid, unless there are any applicable tax treaties are reached between the jurisdictions of non-resident enterprises and the PRC which may reduce or provide exemption to the relevant tax. Similarly, any gain derived from the transfer of shares by such investor, if such gain is regarded as income derived from sources within the PRC, shall be subject to 10% PRC income tax rate (or a lower tax treaty rate (if applicable)).

According to the Arrangements between the PRC and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關于對所得避免雙重徵税和防止偷漏税的安排》), issued by State Administration of Taxation on 21 August 2006 and became effective on 8 December 2006, a company incorporated in Hong Kong will be subject to withholding a 25% interest or more in a PRC company, its dividend obtained from the company incorporated in the PRC shall be taxed with a lower tax rate of 5% as the withholding tax in accordance with the laws and regulations. According to the Announcement of the State Administration of Taxation on Issues Relating to "Beneficial Owner" in Tax Treaties (《國家税務總局關于税收協定中"受益所有人"有關問題的公告》), which was issued by State Administration of Taxation on 3 February 2018 and came into effect on 1 April 2018, a beneficial ownership analysis will be used based on a substance-over form principle to determine whether or not to grant tax treaty benefits.

According to the Announcement on Several Issues concerning the Enterprise Income Tax on Income from the Indirect Transfer of Assets by Non-Resident Enterprises (《關于非居民企業間接轉讓財產企業所得税

若干問題的公告》) ("Announcement"), issued by State Administration of Taxation on 3 February 2015 came into effect on the same day, and revised on 17 October 2017 and 29 December 2017, where a non-resident enterprise indirectly transfers equities and other assets of a PRC resident enterprise to avoid the enterprise income tax payment obligation by making an arrangement with no reasonable business purpose, such indirect transfer shall be redefined and recognised as a direct transfer in accordance with the provisions of the EIT Law. Where the enterprise income tax on the income from the indirect transfer of real estate or equities shall be paid in accordance with the provisions of this Announcement, the entity or individual that directly assumes the obligation to make relevant payments to the transferor according to the provisions of the relevant laws or as agreed upon in the contract shall be the withholding agent.

Value-added Tax

According to the Temporary Regulations on Value-Added Tax (《中華人民共和國增值税暫行條例》), issued on 13 December 1993 by the State Council, came into effect on 1 January 1994 and last amended on 19 November 2017 and the Detailed Rules for the Implementation of the Provisional Regulations of the PRC on Value-Added Tax (《中華人民共和國增值税暫行條例實施細則》), issued on 25 December 1993 by the Ministry of Finance, and became effective on the same day and revised on 15 December 2008 and 28 October 2011 (collectively, the "VAT Law"), taxpayers who engaged in the sale of goods, the provision of processing, repairing and replacement services, sell service, intangible assets or immovables or import goods within the territory of the PRC must pay value-added tax. Other than those specified listed in the VAT law, tax rate for selling services or intangible assets is 6%.

Furthermore, in accordance with the Notice on Fully Launch of the Pilot Scheme for the Conversion of Business Tax to Value-Added Tax (《關于全面推開營業税改徵增值税試點的通知》), issued by the Ministry of Finance and the State Administration of Taxation on 23 March 2016, came into effect on 1 May 2016, the state started to fully implement the pilot programme from business tax to value-added tax on 1 May 2016. All taxpayers of business tax in construction industry, real estate industry, financial industry and living service industry have been included in the scope of the pilot and should pay value-added tax instead of business tax.

City Maintenance and Construction Tax and Educational Surcharges

According to the Notice on Unifying the System of Urban Maintenance and Construction Tax and Education Surcharge Paid by Domestic and Foreign-invested Enterprises and Individuals (《關于統一內外資企業和個人城市維護建設税和教育費附加制度的通知》), issued by the State Council on 18 October 2010 and came into effect on 1 December 2010, since 1 December 2010, the Temporary Provisions on the Collection of Educational Surcharges (《徵收教育費附加的暫行規定》) issued in 1986 and other rules and regulations issued by the State Council and other competent departments since 1985 and 1986 in charge of relevant financial and tax authorities shall apply to foreign-invested enterprises, foreign enterprises and foreign individuals.

According to the Urban Maintenance and Construction Tax Law of the PRC (《中華人民共和國城市維護建設税法》), which was promulgated by the SCNPC on August 11, 2020 and became effective on September 1, 2021, all entities and individuals paying VAT or consumption tax within the territory of the PRC are taxpayers of urban maintenance and construction tax, and shall pay urban maintenance and construction tax in accordance with the Urban Maintenance and Construction Tax Law. The rates of urban maintenance and construction tax shall be as follows: (i) 7% for a taxpayer who is located in a city; (ii) 5% for a taxpayer who is located in a county or town; and (iii) 1% for a taxpayer who is located in a place other than a city, county or town.

According to the Temporary Provisions on the Collection of Educational Surcharges (《徵收教育費附加的暫行規定》), issued by the State Council on 28 April 1986, came into effect on 1 July 1986 and revised on 7 June 1990, 20 August 2005 and 8 January 2011, the tax rate of education surcharges shall be 3% of the actual amount of consumption tax, value-added tax and business tax paid by the entities and individuals and paid at the same time along with the above taxes.

REGULATIONS RELATING TO FOREIGN EXCHANGE

According to the PRC Foreign Currency Administration Rules (《中華人民共和國外匯管理條例》), promulgated by the State Council on 29 January 1996, came into effect on 1 April 1996 and amended on 14 January 1997 and 5 August 2008, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE (State Administration of Foreign Exchange) is obtained. Pursuant to the Notice of the State Administration of Foreign Exchange on Issues concerning Foreign Exchange Administration of the Overseas Investment and Financing and the Round-tripping Investment Made by Domestic Residents through Special-Purpose Companies (《國家外匯管理局關于境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) ("Circular 37"), promulgated by SAFE and which became effective on 4 July 2014, (a) a PRC resident ("PRC Resident") shall register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle ("Overseas SPV"), that is directly established or controlled by the PRC Resident for the purpose of conducting investment or financing; and (b) following the initial registration, the PRC Resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change of the Overseas SPV's PRC Resident shareholder(s), name of the Overseas SPV, term of operation, or any increase or reduction of the Overseas SPV's registered capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular No. 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關于進一步簡化和改進直接投資外匯管理政策的通知》) ("Circular 13"), which was promulgated on 13 February 2015 and with effect from 1 June 2015, the foreign exchange registration under domestic direct investment and the foreign exchange registration under overseas direct investment are directly reviewed and handled by banks in accordance with the Circular 13, and the SAFE and its branches shall perform indirect regulation over the foreign exchange registration via banks.

REGULATION RELATING TO M&A RULES

According to the Provisions Regarding Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) ("M&A Rule"), which was promulgated on 8 August 2006 and became effective on 8 September 2006, and was later amended on 22 June 2009, which provided that the scenarios qualify as an acquisition of a domestic enterprise by a foreign investor. In addition, according to the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), in accordance with which, for foreign investors carrying out investment activities directly or indirectly in China, the foreign investors or foreign-invested enterprises shall submit investment information to the commerce authorities.

LEGAL SUPERVISION OVER DATA PRIVACY AND PERSONAL INFORMATION PROTECTION

Data Security

On 13 April 2020, the Cyberspace Administration of China, the NDRC and several other administrations jointly promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Review Measures**"), which became effective on 1 June 2020. The Review Measures establishes the basic framework for national security reviews of network products and services and provides the principal provisions for undertaking cybersecurity reviews. On 28 December 2021, the Cyberspace Administration of China, jointly with the relevant authorities, published the New Review Measures which stipulates that operators of critical information infrastructure purchasing network products and services, and data processors (together with the operators of critical information infrastructure, the "Operators") carrying out data processing activities that affect or may affect national security, shall conduct a cybersecurity review. Pursuant to the New Cybersecurity Review Measures, any operator who controls more than one million users' personal information must go through a cybersecurity review by the cybersecurity review office if it seeks to be listed in a foreign country.

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**"), on 10 June 2021, which came into effect on 1 September 2021. The Data Security Law applies to data processing activities, including the collection, storage, use, processing, transmission, availability and disclosure of data, and security supervision of such activities within the territory of the PRC. Where data processing activities outside the territory of the PRC damage national security, public interests or the legitimate rights and interests of PRC citizens and organisations, such activities shall be subject to legal liabilities. The PRC would also establish a data security review system, under which data processing activities that affect or may affect national security shall be reviewed. According to the Data Security Law, whoever carries out data processing activities shall establish a sound data security management system throughout the whole process, organise data security education and training, and take corresponding technical measures and other necessary measures to ensure data security. Important data shall also be categorised and protected more strictly. The Data Security Law also requires formulating the important data catalogues to enhance the protection of important data. As of the Latest Practicable Date, Chinese governments did not promulgate the important data catalogues or establish the measures for the cross-border transfer of import data.

The Administrative Provisions on Security Vulnerability of Network Products (《網絡產品安全漏洞管理規定》) (the "**Provisions**") was jointly promulgated by the Ministry of Industry and Information Technology, the Cyberspace Administration for China and the Ministry of Public Security on 12 July 2021 and came into effect on 1 September 2021. Network product providers, network operators as well as organisations or individuals engaging in the discovery, collection, release and other activities of network product security vulnerability are subject to the Provisions and shall establish channels to receive information of security vulnerability of their respective network products and shall examine and fix such security vulnerability in a timely manner. In response to the Cyber Security Law, network product providers are required to report relevant information of security vulnerability of network products with the Ministry of Industry and Information Technology within two days and to provide technical support for network product users. Network operators shall take measures to examine and fix security vulnerability after discovering or acknowledging that their networks, information systems or equipment have security loopholes. According to the Provisions, the breaching parties may be subject to monetary fine as regulated in accordance with the Cyber Security Law. Since the Provisions is relatively new, uncertainties still exist in relation to its interpretation and implementation.

Personal Information Protection

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**"), issued on 20 August 2021 by the SCNPC, provided a comprehensive personal information protection system, under which in case of any personal information processing, individual prior consent must be obtained except in other circumstances stipulated therein to the contrary. Further, any data processing activities in relation to sensitive personal information including biometrics, religious beliefs, specific identities, medical health, financial accounts, whereabouts, personal information of teenagers under fourteen years old and other personal information once leaked or illegally used might easily lead to the infringement of personal dignity or harm of personal and property safety, are only allowed provided such activities are purpose-specified, highly necessary and strictly protected. Personal information processors who use personal information on automated decision-making must ensure the transparency of decision-making and the fairness and impartiality of the results and may not impose unreasonable differential treatment in terms of transaction prices and other transaction conditions. In addition, cross-border personal information transmission is restricted unless certain requirements in the Personal Information Protection Law have been satisfied, including security review organised by the national cyberspace department and other conditions specified by the laws, regulations and the national cyberspace department.