The following summarizes the key laws and regulations in our major markets which we believe are material to our operations. This summary does not purport to be a comprehensive description of all the laws and regulations applicable to our business and operations and/or which may be important to potential **[REDACTED]**. *Potential* **[REDACTED]** *should also note that the following summary is based on the laws and regulations in force as of the Latest Practicable Date and may be subject to change (possibly with retrospective effects).*

LAWS AND REGULATIONS IN RELATION TO OUR BUSINESS IN THE PRC

Regulations Relating to Performance Brokerage Agency

In accordance with the Regulations for the Administration of Commercial Performances (Revised in 2020) (《營業性演出管理條例(2020年修訂)》), which was promulgated by State Council on July 7, 2005, and amended on July 22, 2008, July 18, 2013, February 6, 2016 and November 29, 2020 respectively, foreign investors may legally establish performance brokerage agencies within the territory of the PRC. To engage in commercial performance business activities, a performance brokerage agency shall have three or more full-time performance brokers and funds for the relevant business, and shall file an application with the culture administrative department of the people's government of a province, autonomous region or centrally-administered municipality. The culture administrative department shall make a decision within 20 days from the receipt of the application; where an approval is given, a commercial performance permit (《營業性演出許可證》) shall be issued. No entity or individual may counterfeit, alter, rent, lend, buy or sell any commercial performance permit, approval document or business license. Furthermore, if a performance brokerage agency engaged in any commercial performance business activity without such permit, the culture administrative department of the people's government at county level shall ban the agency, confiscate its performance equipment and illegal proceeds, and impose a fine in the range of eight to ten times of its illegal proceeds. Where there are no illegal proceeds or the illegal proceeds are less than RMB10,000, a fine from RMB50,000 to RMB100,000 shall be imposed.

On August 28, 2009, the Ministry of Culture promulgated the Implementation Rules to the Administrative Regulations on the Commercial Performance(《營業性演出管理條例實施細則》), which was amended on December 15, 2017 and May 13, 2022, respectively, and further provides that the commercial performance provided in the Administrative Regulations on the Commercial Performance refers to the on-site cultural and artistic performances to the public for the purpose of making profits with methods including selling tickets or getting sponsors, paying or remunerating performing entities or individuals, using the performances as a medium for promotions or for promoting sale of products and in other profitable forms.

On December 13, 2021, Ministry of Culture and Tourism issued Measures for the Administration of Performance Brokers (《演出經紀人員管理辦法》), which came into effect on March 1, 2022 and provides that performance brokers activities include performance organization, production, marketing, performance intermediary, agency, commission trade, actors' signing, promotion, agency and other activities. Persons engaged in performance brokerage activities within the territory of the PRC shall pass the performance brokerage qualification examination, and obtain the performance brokerage qualification certificate.

On September 29, 2021, Ministry of Culture and Tourism issued the Notice on Regulating Performance Brokerage Conduct, Strengthening Administration of Performers and Promoting the

Healthy and Orderly Development of Performance Market (《關於規範演出經紀行為加強演員管理促進演出市場健康有序發展的通知》), pursuant to which (i) brokerage companies and studios engaged in performance brokerage activities shall apply to the administrative department of culture and tourism for a commercial performance permit; (ii) those who engage in performance brokerage activities shall obtain the performance brokerage qualification certificate; (iii) brokerage companies and studios shall safeguard the lawful rights and interests of performers, bear the responsibility of administration of performers, take political caliber and moral conduct as the important standards for the selection and training of performers, regularly organize education and training, and enhance the awareness of legal compliance and moral cultivation of performers, establish working systems of self-discipline and self-inspection for performers, find out any problems of and risks to the performers' professional conduct, and urge performers to correct them in time; (iv) brokerage companies and studios engaged in performance brokers activities including signing, promotion and agency for minors shall guarantee their right to receive and complete compulsory education pursuant to the relevant laws and regulations; (v) illegal and immoral actors causing bad social influence shall not be used in the performance activities, and organizing actors or providing them with conditions to lip-sync is prohibited; and (vi) brokerage companies and studios shall strengthen the positive guidance of fans' support behavior, supervise the contents of the online accounts of authorized fan groups, and urge the performers to take the initiative to express opinions and provide positive guidance for fans groups' disturbance on the public order of the internet and the social order.

On May 20, 2022, the NRTA issued the Administrative Measures for Performance Brokerage Agencies in the Field of Radio, Television and Online Audiovisual Platforms (《廣播電視和網絡視聽領域經紀機構管理辦法》), which came into effect on June 30 , 2022 and requires that, (i) brokerage agencies and brokers shall verify the identity of the service recipient when providing brokerage services in the field of radio, television and online audiovisual; (ii) when providing brokerage services for minors, brokerage agencies and brokers in the field of radio, television and online audiovisual shall obtain the consent of their legal guardian in advance, abide by the provisions of state laws, protect the legitimate rights and interests of minors, and shall not organize minors to engage in activities that endanger their physical or mental health; (iii) brokerage agencies and brokers in the field of radio, television and online audiovisual shall not provide brokerage services for service recipients to participate in programs that violate laws, endanger social morality, disrupt social order, or damage the legitimate rights and interests of others; (iv) brokerage agencies and brokers in the field of radio, television and online audiovisual shall reasonably allocate brokerage personnel to meet the business needs, the proportion of the number of brokerage personnel to the number of service recipients shall not be less than 1:100 in principle; (v) brokerage agencies and brokers in the field of radio, television and online audiovisual shall strengthen the daily maintenance, supervision and management of the accounts of the official fan groups of the service recipients, guide and regulate the behavior of fans, and shall not organize activities and gatherings that infringe upon the legitimate rights and interests of others, damage the physical and mental health of minors, or disrupt the normal social order; (vi) brokerage agencies and brokers in the field of radio, television and online audiovisual shall examine the advertisements endorsed by the service recipients, and shall not provide brokerage services for advertising cooperation with illegal contents; and (vii) brokerage agencies and brokers in the field of radio, television and online audiovisual shall pay taxes according to law, urge, remind and assist service recipients to pay taxes, and consciously resist non-standard signing methods for the purpose of tax evasion or that may lead to tax evasion.

Regulations Relating to Content Censorship

In accordance with the Administrative Regulations on Audio-visual Products (Revised in 2020) (《音像製品管理條例(2020年修訂)》), which was promulgated by the State Council on December 25, 2001, and amended on March 19, 2011, December 7, 2013, February 6, 2016 and November 29, 2020, publication, production, reproduction, importation, wholesale, retail and rental of audio-visual products shall comply with the Constitution and the relevant laws and regulations, adhere to the principle of serving the people and socialism, and disseminate ideology, moral, science, technology and cultural knowledge which are beneficial for economic development and social progress. Audio-visual products shall not contain contents which: (i) violate of the basic principles determined by the Constitution; (ii) endanger national unity, sovereignty and territorial integrity; (iii) divulge State secrets, endanger national security or harm State reputation and interests; (iv) incite ethnic hatred or ethnic discrimination, undermine national unity, or impair ethnic customs and habits; (v) preach evil cults or superstition; (vi) disturb social order or undermine social stability; (vii) propagate obscenity, gambling, violence or instigate crimes; (viii) insult or slander others, infringe upon the legitimate rights and interests of others; (ix) harm public morality or excellent ethnic cultural traditions and (x) contain any other content prohibited by laws, administrative regulations or the provisions of the State.

Pursuant to Circular on Further Strengthening the Administration of Online Audio-visual Programs Including Web Series and Micro Films (《關於進一步加強網絡劇、微電影等網絡視聽節目管理的通知》) promulgated by the SARFT and CAC jointly on July 6, 2012, internet audio-visual program service institutions shall report the information on examined and approved web series, micro films and other online audio-visual programs to the provincial radio, film and television administration for record-filing. Pursuant to Supplemental Notice of Circular on Further Strengthening the Administration of Online Audio-visual Programs Including Web Series and Micro Films (《關於進一步完善網絡劇、微電影等網絡視聽節目管理的補充通知》) promulgated by the SAPPRFT on January 2, 2014, enterprise engaged in production of web series and micro films shall obtain the Production and Operation Permit. internet audio-visual program service institutions shall not broadcast web series and micro films produced by enterprise without the Production and Operation Permit.

According to the General Censorship Rules for the Content of Online Audio-visual Programs (《網絡視聽節目內容審核通則》) promulgated by the China Netcasting Services Association (中國網絡視聽節目服務協會) on June 30, 2017, relevant units engaged in online audio-visual programs service are required to review the audio-visual programs to be broadcasted and the graphic and video content produced for the purpose of publicity and introduction of works, etc. before the broadcast of such programs. The specific review elements include: (1) political orientation, value orientation and aesthetic orientation; (2) the plot, pictures, lines, songs, sound effects, characters, subtitles, etc. Relevant units of online audio-visual programs service shall adhere to the principle of review before broadcasting and the principle of review being in place in terms of content review of online audio-visual programs.

Regulations Relating to Maximum Wage Order

On September 22, 2017, the China Alliance of Radio, Film and Television, the CNSA and the China Television Drama Production Industry Association jointly issued the Opinions on the Allocation of Production Costs of TV Series and Web Series (《關於電視劇網絡劇製作成本配置比例的意見》) (the "**Opinion**"). Pursuant to the Opinion, the TV series production institutions shall limit the payment for the artists to a reasonable allocation of overall production costs. The total payment for all artists shall not exceed 40% of the total production costs of a TV series, and the payment for major artists shall not

exceed 70% of the total payment of all artists. If the total payment for all artists exceeds 40% of the total production costs, the production institution shall file an explanation with the relevant associations.

On October 31, 2018, the NRTA issued the Notice for Further Strengthening the Administration on Radio or Television Programs and Online Audio-visual Entertainment Programs (《關於進一步加強廣播電視和網絡視聽文藝節目管理的通知》). For the purpose of ensuring the sound and orderly development of radio, television and network audiovisual entertainment programs, the NRTA requires that, among other things, the total payment for all artists of a television series or web series (including online movies) shall not exceed 40% of the total production costs, and the payment for major artists shall not exceed 70% of the total payment of all artists. If the aforesaid allocation is violated with no justification or concealment is conducted, the NRTA shall, according to the circumstances, adopt punitive measures according to the regulation such as suspension and cancelation of broadcast of the series or production qualifications of production entities. TV series and web series of which the artists' payment exceeds the required cap shall not participate in the election or awards, nor be entitled to government funding or subsidies. Furthermore, broadcasting institutions are strictly prohibited from requesting a television rating covenant from production institutions, and the signing of a valuation adjustment mechanism agreement as to television ratings shall be strictly prohibited. Institutions or individuals shall be strictly prohibited from disrupting or falsifying television rating (click-through rate) data.

On February 6, 2020, the NRTA issued the Notice on Emphasizing the Management on Creation and Production of TV Series and Web Series (《關於進一步加強電視劇網劇創作生產管理有關工作的通知》), which requires that, during the record-filing period institutions that produce and distribute radio and television programs are required to undertake to the administration department of competent radio and television basic completion of scripts creation; written consent from the competent authorities of the government in respect of contents on politics, military, diplomat, national safety, united front, nationality, religions, judiciary, public safety and anti-corruption shall be obtained prior to applications for filming. For TV series and web series, duration is proposed to be within 40 episodes and 30 episodes for short series. Comprehensive measures and collaborative governance shall be adopted for content governance with further industry standard compliance by relevant industrial associations. Production organizations shall submit for record a report on the final allocation proportion of production cost and copies of artists' remuneration contracts to the administration department of competent radio and television during the review stage of TV series and web series. Total payment for all artists shall account for not more than 40% of the total cost of TV series or web series while payment for major artists shall account for no more than 70% of the total payment for all artists.

On February 8, 2022, the NRTA issued the Notice of the National Radio and Television Administration on Printing and distributing *the 14th Five-year plan for the Development of Chinese TV Series* (《關於印發<"十四五"中國電視劇發展規劃>的通知》), which requires that, the remuneration management of actors shall be strengthened and the prohibitively high remuneration shall be firmly opposed. The total remuneration for all actors in a TV series shall not exceed 40% of the total production cost. Major actors' remuneration should not exceed 70% of the total remuneration for all actors. And the filing and verification of remuneration contracts shall be strengthened. The TV series industry shall promote the use of standardized contracts formulated by industry organizations.

As confirmed by our Company, the management of some artists by our Company includes arranging them to participate in radio, television and network audiovisual entertainment programs.

When such artists are arranged to participate in these programs, the aforementioned rules shall be observed.

Special Regulations Relating to Cultural Programs and Entertainment Artists

On August 25, 2021, the CAC issued the Notice on Further Strengthening the Supervision of the Chaotic Celebrity Fan Culture (《關於進一步加強"飯圈"亂象治理的通知》), which requires that, (i) the guidance responsibility of the brokerage companies and studios to fans group shall be strengthened, measures such as flow restriction, prohibition and closure of the accounts shall be taken if performers, their agencies and fan clubs cause fans to attack each other; (ii) detailed rules shall be formulated, the personal purchase volume, contribution value and other data for the music albums or other products of artists shall not be displayed in the sales section, it is not allowed to rank the number or amount of products purchased by fans, and it is not allowed to set marketing activities to stimulate fans' consumption; (iii) management with regards to the online behavior of online entertainment shows shall be strengthened, and it shall be strictly prohibited to guide and encourage Internet users to vote for contestants of entertainment shows by shopping, membership and other materialized means; (iv) further measures shall be taken to prohibit minors from giving rewards, supporting consumption, or serving as relevant fan group leaders or managers, to restrict minors from voting to impact the ranking list, and to make it clear that online activities such as fan clubs and other form of supporting associations shall not effect minors' normal learning and rest, and to forbid the organization of the minors to carry out various online gatherings; and (v) all kinds of illegal fund-raising information should be found and cleared in time, websites and platforms that have concentrated problems, failing to fulfill their responsibilities or induce minors to participate in supporting fund-raising shall be punished according to relevant laws and regulations.

On August 30, 2021, Ministry of Culture and Tourism issued the Notice on Further Strengthening the Educational Management and Moral Construction of Artists (《關於進一步加強文藝工作者教育管理和道德建設的通知》), pursuant to which (i) studying the documents of relevant ministries and commissions on the treatment of unreasonably high remuneration, "yin-yang contracts", tax evasion and other issues, as well as the industrial norms such as the Administrative Measures for Self-discipline of Performers in the Performance Industry (Trial) (《演出行業演藝人員從業自律管理辦法（試行）》) shall be organized, and literary and art workers shall be educated and guided not to touch the "red line" nor the "bottom line" and improve their professional ethics; (ii) the management of major theme creation shall be strengthened, and the participants in major activities in the field of culture and tourism shall be audited well so as not to provide stages or platforms for those who violate laws, regulations, morality or norm; and (iii) the restraint mechanism such as risk monitoring of illegal, immoral and anomie behaviors should be strengthened, early detection, report and management shall be achieved, the emergency control measures shall be taken decisively for those personnel or problems and may cause adverse effects.

On September 2, 2021, the NRTA issued the Notice on Emphasizing the Management and Regulation of Entertainment Programs and Related Personnel (《關於進一步加強文藝節目及其人員管理的通知》), which requires that, (i) radio and television organizations and online audiovisual platforms shall resolutely reject persons who violate laws and morality, adamantly reject persons with incorrect political positions and whose thoughts and values have diverged from the Party and the country; adamantly reject persons who violate laws and regulations, and shake the baseline of social fairness and justice; and adamantly avoid persons who go against good public customs and whose speech and conduct is amoral and irregular; (ii) radio and television organizations and online audiovisual platforms

shall not broadcast idol cultivation programs, talent shows shall strictly control the setting of voting and shall be prohibited to guide or encourage fans to spend money to vote in disguise by shopping, membership and other materialized means; (iii) to strictly manage the selection of actors and guests, performance style, clothing and makeup, and to resolutely resist pan entertainment tendencies such as showcasing wealth and hedonism, scandal privacy reports, negative hot spots, vulgar online influencers and appreciation of ugliness; (iv) institutions that produce and distribute radio and television programs shall resolutely resist high remuneration, strictly enforce provisions on remuneration for performers and guests, and strictly implement the system of information pledges for remuneration management, advocate and encourage performers and guests to take on social responsibility and participate in public interest programming and strictly penalize illegal remuneration, "yin-yang contracts", and tax evasion; and (v) the cultivation of artists' political quality shall be strengthened, the code of professional ethics shall be improved, the construction of professional ethics shall be strengthened, the artists shall consciously resist the temptation of fame and wealth, shall not use professional identity and personal popularity to seek improper interests, consciously accept social supervision.

On October 26, 2021, the CAC issued the Notice on Further Strengthening the Work Related to the Regulation of Online Information for Entertainment Artists (《關於進一步加強娛樂明星網上信息規範相關工作的通知》), pursuant to which (i) the content orientation shall be strictly managed, the release and dissemination of online information of entertainment artists shall abide by laws and regulations, and shall follow the public order and good customs, adhere to the correct direction of public opinion and value orientation; (ii) the information of performing arts works, including films and television artists, music, various works and related publicity, clips, interpretation, comments, etc., shall be reasonably disseminated to the public, and shall not be presented in clusters in accordance to key sections specified in Article 11 of the Provisions on the Ecological Governance of Network Information Contents (《網絡信息內容生態治理規定》) issued by the CAC on December 15, 2019; and (iii) the account authentication and audit of brokerage agencies shall be strengthened, the same agency shall only register one account on the same platform in principle, the account of fan club shall be authorized or certified by the brokerage agencies, which shall be responsible for daily maintenance, supervision and management, unauthorized individuals or organizations shall not be allowed to register fan club account.

On May 7, 2022, China Federation of Radio and Television Association and China Netcasting Services Association jointly issued the Template Entertainment Content Service Contract (Trial) (《演員聘用合同示範文本（試行）》), pursuant to which (i) the entertainment content service contracts must be signed in written form on the artists' own behalf; (ii) labor income such as the remuneration shall be pre-tax, and shall not be concealed in cash or other forms of payment in disguise; (iii) the remuneration allocation and corresponding contractual obligations between artists and their respective artist management companies shall be set out in the contract; and (iv) artists shall not commit any harmful act that is illegal, immoral or would otherwise hinder the preparation, production or distribution of the entertainment content, otherwise the producer of the entertainment content shall have the right to claim the liability for breach of contract.

On October 31, 2022, the SAMR, Office of the Central Cyberspace Affairs Commission (中共中央網絡安全和信息化委員會辦公室), Ministry of Culture and Tourism, the NRTA, China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), the CSRC and China Film Administration (國家電影局) jointly issued Guidance on Further Regulating the Endorsement by Artists in Advertising Activities (《關於進一步規範明星廣告代言活動的指導意見》), which requires regulatory authorities to strengthen supervision over artist endorsements in advertising activities, and hold artists,

management companies, advertisers, advertising agents, advertisement publishers and relevant internet information service providers accountable for false or illegal artist endorsements. In particular, artists are prohibited from endorsing products or services which are (i) illegal, (ii) not used by the artists before the endorsement, (iii) manufactured or sold by entities without licenses required for operation, or (iv) in certain categories such as tobacco products or healthcare products. If the artists make false or illegal endorsements, the artists themselves will be penalized pursuant to applicable laws, and any penalties imposed on the artist management companies may not be used as a substitute for the penalty on the artists. Where an artist management company participates in endorsement activities, it will be treated as an advertising agent for legal liabilities.

On October 2, 2018, the State Administration of Taxation issued the Notice on Further Regulating the Taxation Order of the Film and Television Industry (《關於進一步規範影視行業税收秩序有關工作的通知》), in response to issues such as tax evasion by high-income practitioners in the film and television industry, the tax authorities has further standardized the order of tax collection and management in the film and television industry. Starting in October 2018 and ending before the end of July 2019, the work of regulating the taxation order of the film and television industry will be gradually advanced in accordance with the steps of self-examination and self-correction, supervision and correction, key inspection, and summary and improvement. Starting from October 10, 2018, local tax authorities have notified film and television production companies, brokerage companies, performing arts companies, celebrity studios and other enterprises and high-income practitioners in the film and television industry in their regions to conduct self-inspection on their tax returns since 2016. All film and television enterprises and practitioners who earnestly self-examine and correct themselves and take the initiative to pay taxes before the end of December 2018 will be exempt from administrative penalties and fines.

On September 18, 2021, the State Taxation Administration issued the Notice on Strengthening the Taxation Management of Employees in the Entertainment Field (《關於加強文娛領域從業人員税收管理的通知》), pursuant to which the tax department shall further strengthen the daily tax management of personnel in the field of culture and entertainment, and guide the individual studios and enterprises established by artists and network anchors to establish accounts and systems in accordance with laws and regulations, and apply for tax payment by means of audit and collection. The tax department shall regularly carry out tax inspection on artists and network anchors. Furthermore, the tax department shall focus on strengthening the tax management of artists, network anchors agencies, agents and relevant producers, urging them to fulfill obligations of tax withholding, paying personal income tax, providing relevant information, and cooperating with the tax authorities to implement tax management on artists and network anchors according to the law.

Regulations Relating to Foreign Investment

General Administration of Foreign Investment

On March 15, 2019, the NPC approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**"), which became effective on January 1, 2020, replaced the Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法》), the Sino-Foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-Invested Enterprise Law of the PRC (《中華人民共和國外資企業法》), and becomes the legal foundation for foreign investment in the PRC. On December 26, 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 January 1, 2020 and replaced the Regulations on Implementing the Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法實施條例》), Provisional Regulations on the Duration of Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中外合資經營企業合營期限暫行規定》), the Regulations on Implementing the Wholly Foreign-Invested Enterprise Law of the PRC (《中華人民共和國外資企業法實施細則》) and the Regulations on Implementing the Sino-foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法實施細則》).

The Foreign Investment Law sets out the basic regulatory framework for foreign investments and proposes to implement a management system of pre-establishment national treatment with a negative list for foreign investments, pursuant to which (i) foreign natural persons, enterprises or other organizations (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-invested enterprises shall submit the investment information to competent departments of commerce through the Enterprise Registration System and the National Enterprise Credit Information Publicity System. The organization form and structure and operating rules of foreign invested enterprises are subject to the provisions of the PRC Company Law, the Partnership Enterprise Law of the PRC (《中華人民共和國合夥企業法》) and other applicable laws, if applicable.

On December 30, 2019, the MOFCOM and the SAMR 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 January 1, 2020 and replaced the Interim Administrative Measures for the Record-filing of the Incorporation and Change of Foreign- invested Enterprises (《外商投資企業設立及變更備案管理暫行辦法》). Since January 1, 2020, for carrying out investment activities directly or indirectly in China, the foreign investors or foreign-invested enterprises shall submit investment information to the commerce administrative authorities through the Enterprise Registration System and the National Enterprise Credit Information Publicity System pursuant to these measures.

The Negative List

The Special Administrative Measures for Access of Foreign Investment (Negative List) (2021 Edition) (《外商投資准入特別管理措施(負面清單)》(2021年版)), which was promulgated by the NDRC and the MOFCOM jointly on December 27, 2021 and became effective on January 1, 2022 (the "**Negative List**"), foreign investors shall not invest in any of the prohibited fields specified in the Negative List. The establishment of foreign-invested partnerships is prohibited if they intend to invest in the fields subject to limitation of foreign investment proportion. Domestic enterprises engaged in businesses in fields prohibited from investment by the Negative List shall be reviewed and approved by the relevant competent authorities of the state for issuing shares abroad and listing for trading. Foreign investors shall not participate in the operation and management of such domestic enterprises, and their equity ratio shall be governed with reference to the relevant regulations on the management of domestic securities investment by overseas investors.

Our PRC Legal Advisor is of the view that, based on its understanding of the Foreign Investment Law and the Negative List, the Group's principal businesses are not subject to any foreign

investment restrictions or prohibition under the Foreign Investment Law and the Negative List as of the Latest Practicable Date.

Merger and Acquisition of Domestic Enterprises by Foreign Investors

The Provisions on Merger and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "**M&A Rules**"), promulgated by six PRC ministries including MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會), the SAT, the SAIC, the CSRC, and the SAFE on August 8, 2006, effective from September 8, 2006, amended and became effective on June 22, 2009. Foreign investors must comply with the M&A Rules when they purchase equity interests of a domestic enterprise or subscribe the increased capital of a domestic enterprise, and thus changing of the nature of the domestic enterprise into a foreign-invested enterprise; or when the foreign investors establish a foreign-invested enterprise in China, purchase the assets of a domestic enterprise and operate the asset; or when the foreign investors purchase the assets of a domestic non-foreign invested enterprise by agreement, establish a foreign- invested enterprise by injecting such assets, and operate the assets. The M&A Rules, among other things, require that if an overseas company established or controlled by PRC companies or PRC citizens intends to acquire equity interests or assets of any other PRC domestic company affiliated with the PRC citizens, such acquisition must be submitted to the MOFCOM for approval.

Regulations in Relation to Overseas Listing

Pursuant to the Provisions of the State Council on the Administration of Overseas Securities Offering and Listing by Domestic Enterprises (Draft for Comments) (《國務院關於境內企業境外發行證券和上市的管理規定(草案徵求意見稿)》) drafted by the CSRC and the relevant departments under the State Council and published on December 24, 2021, overseas offering and listing of domestic enterprises includes direct or indirect issue of securities overseas or listed for trading in overseas markets by domestic enterprises. Indirect offering and listing of domestic enterprises refers to the indirect issue of securities overseas by domestic enterprises or the listing of their securities for trading overseas, namely enterprises operating their main business domestically issue securities overseas or listing their securities for trading overseas based on equity, assets, gains or other similar interests of domestic enterprises in the name of overseas enterprises. The securities administration department of the State Council undertakes supervision and administration over the overseas offering and listing activities of domestic enterprises according to the law. The relevant competent authorities of the State Council undertake supervision and administration over domestic enterprises offering and listing overseas and securities service institutions providing relevant services in their respective scope of duties according to the law. For overseas offering and listing, domestic enterprises shall implement procedures for filing with the securities administration department of the State Council and report relevant information.

Pursuant to the Administrative Measures for the Filing of Overseas Securities Offering and Listing by Domestic Enterprises (Draft for Comments) (《境內企業境外發行證券和上市備案管理辦法(徵求意見稿)》), drafted by the CSRC and published on December 24, 2021, the filing of direct or indirect overseas offering and listing by domestic enterprises shall be conducted according to this Administrative Measures. In the event of indirect overseas offering and listing by domestic enterprises, the issuer shall designate a principal domestic operating entity to implement the filing procedures and report relevant information. Within 3 workings days after the overseas submission of the application

document for initial public offering and listing, the issuer shall provide the CSRC with filing materials, including but not limited to (1) filing report and relevant commitments; (2) regulatory opinion, filing or approval and other documents issued by the competent authorities of the industry (if applicable); (3) opinion of security assessment and review issued by relevant departments (if applicable); (4) domestic legal opinion; (5) prospectus. For the offering of foreign listed securities after overseas listing, within 3 working days after the completion of offering, the issuer shall provide the CSRC with filing materials, including but not limited to (1) filing report and relevant commitments; and (2) domestic legal opinion. If the filing materials are complete and requirements are fulfilled, the CSRC will issue the notice for filing within 20 working days and publish the information for filing on website. After the filing by the issuer and before the completion of overseas offering and listing, in the event of any of the following significant events, the issuer shall promptly report to the CSRC and update filing materials within 3 workings days from the occurrence of relevant events: (1) material changes in principal business or licenses and qualifications of business; (2) material changes in equity structure or changes in control; (3) material adjustment of the offering and listing plan. In case of any of the following significant events after the overseas listing, the issuer shall report the details to the CSRC within 3 working days from the occurrence of relevant events: (1) changes in control; (2) investigations, penalties and other measures taken by overseas securities administrative authorities or relevant competent authorities; (3) voluntary termination of the listing or mandatory termination of the listing.

Substantial uncertainties exist with respect to its enactment timetable, final content, interpretation and implementation of the Provisions of the State Council on the Administration of Overseas Securities Offering and Listing by Domestic Enterprises (Draft for Comments) and the Administrative Measures for the Filing of Overseas Securities Offering and Listing by Domestic Enterprises (Draft for Comments).

Regulations Relating to Foreign Exchange

General Administration of Foreign Exchange

According to the Regulations on Foreign Exchange Administration of the PRC (Revised in 2008) (《中華人民共和國外匯管理條例》(2008年修訂)) which was promulgated by the State Council on January 29, 1996, came into effect on April 1, 1996, and was last revised on August 5, 2008, RMB is convertible into other currencies for the purpose of current account items, such as trade related receipts and payments, payment of interests and dividends. Current account foreign exchange income may, in accordance with relevant laws and regulations of the PRC, be retained or sold to any financial institution engaged in foreign exchange settlement and sales business. The conversion of RMB into other currencies and remittance of the converted foreign currency outside the PRC for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, require the prior approval from the SAFE or its local branches. Payments for transactions that take place within the PRC must be made in RMB. Unless otherwise approved, PRC companies may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign-invested enterprises may retain foreign exchange in accounts with designated foreign exchange banks under the current account items subject to a cap set by the SAFE or its local branches.

Pursuant to the Notice of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》) (the "**SAFE Circular No. 59**") which was promulgated by the SAFE on November 19, 2012, and became effective on December 17, 2012 and was last revised on December 30, 2019, the approval is not required for the opening of an account entry in foreign

exchange accounts under direct investment or for domestic transfer of the foreign exchange under direct investment. SAFE Circular No. 59 also simplifies the capital verification and confirmation formalities for foreign invested enterprises, the foreign capital and foreign exchange registration formalities required for the foreign investors to acquire the equity interests and foreign exchange registration formalities required for the foreign investors to acquire the equity interests of Chinese party, and further improves the administration on exchange settlement of foreign exchange capital of foreign invested enterprises. Later, the SAFE promulgated the Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "**SAFE Circular No. 13**") in February 13, 2015, which was partially abolished in December 2019 and prescribed that the bank instead of SAFE can directly handle the foreign exchange registration and approval under foreign direct investment while SAFE and its branches indirectly supervise the foreign exchange registration and approval under foreign direct investment through the bank.

The Notice of the SAFE on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular No. 19**"), which was promulgated by the SAFE on March 30, 2015, came into effect as of June 1, 2015 and was last revised on December 30, 2019, adopts the approach of discretional foreign exchange settlement. The discretional settlement of the foreign exchange capital of foreign-invested enterprises refers to that the settlement of foreign exchange capital in the capital accounts of foreign-funded enterprises that have been subject to the confirmation of cash capital contribution at foreign exchange authorities (or the entry registration of cash contribution at banks) may be handled at banks based on the enterprises' actual requirements for business operation. The proportion of discretional settlement of foreign exchange capital of foreign-funded enterprises is temporarily determined as 100%. The SAFE may, based on the international balance of payments, adjust the aforesaid proportion at appropriate times.

The Notice of the SAFE on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (the "**SAFE Circular 16**") was promulgated and became effective on June 9, 2016 by the SAFE. According to the SAFE Circular 16, enterprises registered in China may also convert their foreign debts from foreign currency into Renminbi on self-discretionary basis. The SAFE Circular 16 provides an integrated standard for conversion of foreign exchange under capital account items (including but not limited to foreign currency capital and foreign debts, funds recovered from overseas listing, etc.) on self-discretionary basis, which applies to all enterprises registered in China. The SAFE Circular 16 reiterates the principle that Renminbi converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope and may not be used for investments in securities or other investment with the exception of bank financial products that can guarantee the principal within China unless otherwise specifically provided. In addition, the converted Renminbi may not be used to make loans for non-affiliated enterprises unless it is within the business scope or to build or to purchase any real estate that is not for the enterprise own use with the exception for the real estate enterprise.

On October 23, 2019, SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》), which became effective on the same date (except for Article 8.2, which became effective on January 1, 2020). The notice canceled restrictions on domestic equity investments made with capital funds by non-investing foreign-funded enterprises. In addition, restrictions on the use of funds for foreign exchange settlement of domestic

accounts for the realization of assets have been removed and restrictions on the use and foreign exchange settlement of foreign investors' security deposits have been relaxed. Eligible enterprises in the pilot area are also allowed to use revenues under capital accounts, such as capital funds, foreign debts and overseas listing revenues for domestic payments without providing materials to the bank in advance for authenticity verification on an item by item basis, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital revenue management regulations.

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

Offshore Investment

Pursuant to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《關於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》)(the "**SAFE Circular 37**") which was promulgated by the SAFE on July 4, 2014 and came into effect on the same date, a domestic resident shall, before contributing the domestic and overseas lawful assets or interests to a special purpose vehicle (the "**SPV**"), apply to the foreign exchange office for foreign exchange registration of overseas investments. In addition, in the event of any change of basic information of the overseas SPV such as the individual shareholder, name, operation term, etc., or if there is a capital increase, decrease, equity transfer or swap, merge, spin-off or other amendment of the material items, the domestic resident shall complete the modification of foreign exchange registration procedures for offshore investment. After the completion of the overseas financing, the SPV shall comply with the related provisions on Chinese foreign investment and foreign debt administration if the capital financed is repatriated for use within the territory of China. Failure to comply with the registration procedures as set out in SAFE Circular 37 may result in penalties. Pursuant to the SAFE Circular 13, the abovementioned registration under the SAFE Circular 37 will be handled directly by banks that have obtained the financial institution identification codes issued by the foreign exchange regulatory authorities that have opened the capital account information system at the foreign exchange regulatory authority in the place where they are located, and the foreign exchange regulatory authorities shall perform indirect regulation over the direct investment-related foreign exchange registration via banks.

Regulations Relating to Taxation

Enterprise Income Tax

According to the EIT Law, which was promulgated by the NPC on March 16, 2007 and came into effect on January 1, 2008, and was last revised by SCNPC on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》),which was enacted on December 6, 2007 by the State Council, became effective on January 1, 2008 and was amended on April 23, 2019 (collectively, the "**EIT Rules**"), and its relevant

implementation regulations, taxpayers consist of resident enterprises and non-resident enterprises. Resident enterprises are defined as enterprises that are established in China in accordance with the PRC laws, or that are established in accordance with the laws of foreign countries but whose actual or de facto control is administered from within the PRC. Non-resident enterprises are defined as enterprises that are set up in accordance with the laws of foreign countries and whose actual administration is conducted outside the PRC, but have established institutions or premises in the PRC, or have no such established institutions or premises but have income generated from inside the PRC. Under the EIT Rules and relevant implementing regulations, a uniform Enterprise income tax rate of 25% is applicable. However, if non-resident enterprises have not formed permanent establishments or premises in the PRC, or if they have formed permanent establishment institutions or premises in the PRC but there is no actual relationship between the relevant income derived in the PRC and the established institutions or premises set up by them, the enterprise income tax is, in that case, set at the rate of 10% for their income sourced from inside the PRC.

Dividend Withholding Tax

Pursuant to the Arrangement between Mainland China and Hong Kong for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得稅避免雙重徵稅和防止偷漏稅的安排》) effective from August 21, 2006, no more than 5% withholding tax rate applies to dividends paid by a PRC company to a Hong Kong resident, provided that the recipient is a company that holds at least 25% of the capital of the PRC company. The 10% withholding tax rate applies to dividends paid by a PRC company to a Hong Kong resident if the recipient is a company that holds less than 25% of the capital of the PRC company.

Furthermore, pursuant to the Circular of the SAT on Relevant Issues Concerning the Implementation of Dividend Clauses in Tax Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》), which was promulgated on and effective from February 20, 2009, all of the following requirements should be satisfied where a fiscal resident of the other party to the tax agreement needs to be entitled to such tax agreement treatment as being taxed at a tax rate specified in the tax agreement for the dividends paid to it by a PRC resident company: (a) such a fiscal resident who obtains dividends should be a company as provided in the tax agreement; (b) owner's equity interests and voting shares of the PRC resident company directly owned by such a fiscal resident reaches a specified percentage; and (c) the equity interests of the PRC resident company directly owned by such a fiscal resident, at any time during the 12 months prior to the acquisition of the dividends, reaches a percentage specified in the tax agreement.

In addition, according to the Announcement of the SAT on Promulgation of the Administrative Measures on Non-residents Taxpayers Enjoying Treaty Benefits (《國家稅務總局關于發布<非居民納稅人享受協定待遇管理辦法>的通告》), which was promulgated by the SAT on October 14, 2019 and became effective on January 1, 2020, non-resident taxpayers claiming treaty benefits shall be handled in accordance with the principles of "self-assessment, claiming benefits, retention of the relevant materials for future inspection". Where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through the withholding agent, simultaneously gather and retain the relevant materials pursuant to the provisions of these Measures for future inspection, and accept follow-up administration by the tax authorities.

Value Added Tax

The Provisional Regulations of PRC Concerning Value-added Tax (《中華人民共和國增值税暫行條例》) (the "**VAT Regulations**") was promulgated by the State Council on December 13, 1993 and amended on November 10, 2008, February 6, 2016 and November 19, 2017. The Implementing Rules for the Interim 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》) (the "**Implementing Rules on VAT**") was promulgated by the MOF on December 25, 1993, first amended on December 15, 2008 and came into effect on January 1, 2009, subsequently amended on October 28, 2011 and effective on November 1, 2011. Under the VAT Regulations and Implementing Rules on VAT, entities and individuals selling goods, providing labor services of processing, repairing or maintenance, or selling services, intangible assets or real property in China, or importing goods to China, shall be identified as taxpayers of value- added tax, and shall pay value-added tax. Unless stated otherwise, for VAT payers who are selling or importing goods, and providing processing, repairs and replacement services in the PRC, the tax rate shall be 17%, in certain limited circumstances, 11%.

According to the Notice on the Adjustment to VAT Rates (《關於調整增值税税率的通知》) which was promulgated by the MOF and the SAT on April 4, 2018 and came into effect on May 1, 2018, the deduction rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively. According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值税改革有關政策的公告》) jointly which was promulgated by the MOF, the SAT and General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

Regulations Relating to Outbound Investment by Enterprises

The MOFCOM promulgated the Administrative Measures on Outbound Investments (2009 Edition) (《境外投資管理辦法》(2009年版)) on March 16, 2009 with effect from May 1, 2009 to strengthen and regulate outbound investments, which was replaced by the Administrative Measures on Outbound Investments (2014 Edition) (the "**2014 Outbound Investments Measures**") promulgated by MOFCOM on September 6, 2014 with effect from October 6, 2014. According to the 2014 Outbound Investments Measures, overseas investments of enterprises involving sensitive countries and regions and sensitive industries shall be subject to examination and approval by the competent department of commerce and other overseas investments of enterprises shall be subject to filing. The competent department of commerce shall carry out the administration of overseas investments of enterprises through the overseas investment administration system (境外投資管理系統), and issue to enterprises which have obtained filing or approval a Certificate of Overseas Investments of Enterprises(《企業境外投資證書》).

On December 26, 2017, the NDRC promulgated the Administrative Measures for the Outbound Investments by Enterprises (《企業境外投資管理辦法》) (the "**Enterprise Outbound Investments Measures**"), which became effective from March 1, 2018 and simultaneously repealed the Administrative Measures for Approval and Record-filing on Overseas Investment Projects (《境外投資項目核准和備案管理辦法》). According to Enterprise Outbound Investments Measures, projects subject to approval are sensitive projects to be carried out by investors either directly or through overseas enterprises controlled thereby and the approval authority is NDRC. Projects subject to filing are non-sensitive projects directly carried out by investors.

Regulations Relating to Employment and Social Welfare

Employment

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the Standing Committee of the NPC on July 5, 1994 and amended and coming into effect on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) amended by the Standing Committee of the NPC on December 28, 2012 and coming into effect on July 1, 2013 and the Implementation Rules of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council and coming into effect on September 18, 2008, an employer shall strictly comply with the national standards, provide trainings to its employees, protect their labor rights and perform its labor obligations. An employer shall enter into a written labor contract with its employees. Labor contracts shall be categorized into labor contracts with fixed term, labor contracts without fixed term and labor contracts to be expired upon completion of certain tasks. The remuneration payable by an employer to its employees shall not be less than local minimum wage.

Social Insurance and Housing Fund

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the Standing Committee of NPC on October 28, 2010, amended and coming into effect on December 29, 2018, the Administrative Regulations on Housing Provident Fund of the PRC (《中華人民共和國住房公積金管理條例》) amended by the State Council and coming into effect on March 24, 2019 and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) amended by the State Council and coming into effect on March 24, 2019, a domestic enterprise shall pay premium for basic pension insurance, unemployment insurance, maternity insurance, work injury insurance, basic medical insurance and housing provident fund for its employees at the applicable rates based on the amounts stipulated by the laws. If it fails to pay required amount of premium to local administrative authorities on time or in full, it may be required to settle the overdue amount or subject to fine.

Regulations Relating to Intellectual Property

Copyright

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) (the "**Copyright Law**"), promulgated on September 7, 1990 and effective from June 1, 1991, revised respectively on October 27, 2001 and February 26, 2010 and November 11, 2020, and the Implementation of the Copyright Law of the PRC (《著作權法實施條例》) (the "**Copyright Implementation**") promulgated on August 2, 2002, revised on January 30, 2013 and effective from March 1, 2013, copyright shall include the following personal rights and property rights: (1) publication right, i.e. the right to decide whether a work is made public; (2) right of authorship, i.e. the right to be named as author of a work; (3) right of revision, i.e. the right to revise a work or to authorize others to revise a work; (4) right to preserve the integrity of work, i.e. the right to protect a work from distortion or tampering; (5) reproduction right, i.e. the right to reproduce one or more copies of a work by printing, photocopying, rubbing, audio recording, video recording, duplication, photographic reproduction, etc.; (6) distribution right, i.e. the right to provide the original copy or replicas of a work to the public by sale or gift; (7) rental right, i.e. the right to license the temporary use of film works, works created using methods similar to film making and computer software by others for a fee, except where the computer software is not the main subject of lease; (8) exhibition right, i.e. the right to put the original copy or replicas of art works and photographic works on public display; (9) performance right, i.e. the

right to put up a public performance of a work and publicly broadcast performance of a work through various means; (10) screening right, i.e. the right to put up a public screening of art works, photographic works, film works, works created using methods similar to film making, etc. through technical equipment such as film projector, slide projector, etc.; (11) broadcasting right, i.e. the right to publicly broadcast or transmit a work through wireless method, the right to transmit or broadcast a work to the public through cable or relay broadcast, and the right to transmit or broadcast a work to the public through a loudspeaker or other tools for transmission of symbols, sounds and images; (12) information network transmission right, i.e. the right to provide a work to the public through cable or wireless method so that the public may have access to the work at their individually selected time and venue; (13) filming right, i.e. the right to produce a work on a medium through film making or methods similar to film making; (14) adaptation right, i.e. the right to adapt a work, thus creating a new work with originality; (15) translation right, i.e. the right to convert the written text of a work from one language to another language; (16) compilation right, i.e. the right to select or arrange a work or parts of a work for compiling into a new work; and (17) any other rights belong to a copyright holder.

A copyright holder may license others to exercise the rights among the abovementioned item (5) to item (17), and receive remuneration pursuant to the agreement or the relevant provisions of this Law. And a copyright holder may transfer all or some of the rights among the abovementioned item (5) to item (17), and receive remuneration pursuant to the agreement or the relevant provisions of this Law.

Furthermore, the period of protection of publication rights of works of a legal person or any other organization and works created in the course of employment in which copyright (except for right of authorship) belongs to a legal person or any other organization, and the rights among the abovementioned item (5) to item (17) shall be 50 years, and shall expire on December 31, of the 50th year following the first publication of the work; where the work is not published within 50 years from completion of the creation of the work, it shall not be protected by this Law. The period of protection of publication rights of film works, works created using methods similar to film making and photographic works and the rights among the abovementioned item (5) to item (17) shall be 50 years, and shall expire on December 31, of the 50th year following the first publication of the work; where the work is not published within 50 years from completion of the creation of the work, it shall not be protected by this Law.

Information Network Transmission Right

In accordance with the Regulations on Protection of Information Network Transmission Right (《信息網絡傳播權保護條例》) (the "**Regulations of Information Network Transmission Right**"), which was promulgated by the State Council on May 18, 2006, came into effect on July 1, 2006, then was amended on January 30, 2013 and came into effect on March 1, 2013, Information Network Transmission Right shall mean provision of works, performances or audio and video products through wired or wireless method to the public so as to give the public rights to access works, performances or audio and video products at their selected time and venue.

The Information Network Transmission Right of right holders shall be protected by the Copyright Law and the Regulations of Information Network Transmission Right. Unless otherwise provided by the laws and administrative regulations, any organization or individual providing the works, performances, audio and video products of others to the public via information network shall obtain the consent of the rights holders and pay remuneration. Rights holders may adopt technical

measures to protect information network transmission right. Any organization or individual shall not intentionally avoid or destroy technical measures and shall not intentionally manufacture, import or provide devices or parts used principally for the avoidance or destruction of technical measures and shall not provide technical services for others to avoid or destroy technical measures, unless otherwise provided by the laws and administrative regulations. Furthermore, without the consent of the rights holder, any organization or individual shall not: (1) intentionally delete or alter digital rights management information of works, performances, audio and video products provided to the public via information network, except where the deletion or alteration is unavoidable due to technical reasons; or (2) provide works, performances, audio and video products via information network to the public when the organization or individual is aware or should be aware that the digital rights management information of such works, performances, audio and video products have been deleted or altered without the consent of the rights holder.

Trademark

Trademarks are protected by the Trademark Law of the PRC (Revised in 2019) (《中華人民共和國商標法》(2019年修訂)) which was promulgated on August 23, 1982 and subsequently amended on February 22, 1993, October 27, 2001, August 30, 2013 and April 23, 2019, respectively as well as the Implementation Regulation of the PRC Trademark Law (Revised in 2014) (《中華人民共和國商標法實施條例》(2014年修訂)) adopted by the State Council on August 3, 2002 and amended on April 29, 2014. In China, registered trademarks include commodity trademarks, service trademarks, collective marks and certification marks.

The Trademark Office under the SAIC, handles trademark registrations and grants a term of ten years to registered trademarks. Trademarks are renewable every ten years where a registered trademark needs to be used after the expiration of its validity term. A registration renewal application shall be filed within twelve months prior to the expiration of the term. A trademark registrant may license its registered trademark to another party by entering into a trademark license contract. Trademark license agreements must be filed with the Trademark Office for record. The licensor shall supervise the quality of the commodities on which the trademark is used, and the licensee shall guarantee the quality of such commodities. As with trademarks, the PRC Trademark Law has adopted a "first come, first file" principle with respect to trademark registration. Where trademark for which a registration application has been made is identical or similar to another trademark which has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Any person applying for the registration of a trademark may not prejudice the existing right first obtained by others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use.

Domain Names

Domain names are protected under the Administrative Measures on the Internet Domain Names (《互聯網域名管理辦法》)(the "**Domain Name Measures**") issued by the MIIT, on August 24, 2017 and effective from November 1, 2017. According to the Domain Name Measures, domain name owners are required to register their domain names and the MIIT is the major regulatory body responsible for the administration of the PRC internet domain names. The domain name services follow a "first apply, first register" principle. Applicants for registration of domain names shall provide their true, accurate and complete information of such domain names to and enter into registration

agreements with domain name registration service institutions. The applicants will become the holders of such domain names upon the completion of the registration procedure.

Regulations Relating to 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》), promulgated by the SCNPC on August 20, 2021 and effective on November 1, 2021, stipulates the scope of personal information and establishes rules for processing personal information onshore and offshore. According to the Personal Information Protection Law, personal information refers to any kind of information related to an identified or identifiable natural person as electronically or otherwise recorded, excluding information that has been anonymized. Processing of personal information includes the collection, storage, use, processing, transmission, provision, disclosure, and deletion of personal information. Processing of personal information shall be for a specified and reasonable purpose, and shall be conducted for a purpose directly relevant to the purpose of processing and in a way that has the least impact on personal rights and interests. The Personal Information Protection Law also sets forth certain specific personal information protection requirements, including but not limited to more specific inform and consent requirements in various contexts, strengthened and classified obligations of personal information processors, and more limitations and rules on process of personal information.

REGULATIONS RELATING TO CYBERSECURITY

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law of PRC (《中華人民共和國網絡安全法》), or the Cybersecurity Law, effective as of June 1, 2017, which applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. The Cybersecurity Law defines "network" as a system comprising computers or other information terminals and relevant facilities used for the purpose of collecting, storing, transmitting, exchanging and processing information in accordance with specific rules and procedures. No individual or organization may engage in activities that threaten cybersecurity such as unlawful intrusion into others' networks, interfering with the normal functions of others' network and stealing network data, provide programs or tools for such intrusions, interference or stealing, or provide any assistance such as technical support, advertisement, payment or settlement for any other person if the individual or organization is fully aware that such person engages in an activity endangering cybersecurity.

On June 10, 2021, SCNPC promulgated the Data Security Law of PRC (《中華人民共和國數據安全法》), effective as of September 1, 2021, which mainly sets forth specific provisions regarding establishing basic systems for data security management, including hierarchical data classification management system, risk assessment system, monitoring and early warning system, and emergency disposal system. In addition, it clarifies the data security protection obligations of organizations and individuals carrying out data activities and implementing data security protection responsibility.

According to the Measures for Cybersecurity Review (2021 Revision) (《網絡安全審查辦法》) (the "Revised Cybersecurity Review Measures"), the following circumstances shall be subject to a cybersecurity review, (i) the purchase of network products and services by a critical Information infrastructure operator (關鍵信息基礎設施運營者) (the "CIIO"), as defined in Regulations on the Security Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) ("Regulations on CII"), which affects or may affect national security; (ii) the plan of a network

platform operator holding personal information of more than one million users of listing abroad; and (iii) any network products or services, or data processing activities that the competent authorities believe affect or may affect national security.

According to Article 2 of the National Security Law of the People's Republic of China (《中華人民共和國國家安全法》), national security refers to the condition in which the state power, sovereignty, unity and territorial integrity, people's welfare, sustainable economic and social development, and other vital interests of the state does not face any danger or encounter any internal or external threats, and the state has the capability to safeguard its security. Article 10 of the Revised Cybersecurity Review Measures further provides that the cybersecurity review shall focus on the following assessments of national security risks: (i) the risks of illegal control, interference or destruction of critical information infrastructure brought about by the use of products or services; (ii) the risks of supply interruption of products or services necessary for the business continuity of critical information infrastructure; (iii) risks relating to the safety, transparency and diversity of sources of products or services and reliability of supply channels; (iv) the risks relating to compliance with PRC laws, administrative regulations and departmental rules by products and services providers; (v) the risks of theft, leakage, damage, illegal use or cross-border transfer of core data, important data or large amounts of personal information; (vi) the risks of influence on, control or malicious use of critical information infrastructure, core data, important data or large amounts of personal information by foreign governments after overseas listing, as well as the risks of network information security; and (vii) other factors that may endanger critical information infrastructure security, network security or data security.

The Draft Internet Data Security Regulations (《網絡數據安全管理條例（徵求意見稿）》) (the "Draft Regulations") stipulate data processing activities carried out through networks as well as the supervision and regulation of network data security within the territory of the People's Republic of China should be subject to the Draft Regulations. According to the Draft Regulations, data processors are required to apply for a cybersecurity review if they (i) carry out any merger, reorganization or separation of internet platform operators with a large number of data resources related to national security, economic development or public interests, which affects or may affect national security; (ii) seek a listing abroad of data processors that handle personal information of more than one million persons; (iii) seek a listing in Hong Kong, which affects or may affect national security; or (iv) conduct other data processing activities that affect or may affect national security. The Draft Regulations also stipulate some specific requirements for data processors on matters such as personal information requirement, security of important data, security management of cross-border data transfer and obligations of internet platform operators in accordance with the Personal Information Protection Law of the PRC, Data Security Law of the PRC and Cybersecurity Law of the PRC.

According to Article 21 of the National Security Law of the People's Republic of China, the national data security work coordination mechanism shall coordinate the relevant departments in the formulation of a catalog of important data to strengthen the protection of important data. Data that matters to national security, national economy, people's livelihood and material public interest, among others, shall be considered as national core data subject to a more stringent management system. Each region and department shall, according to the categorized and hierarchical data protection system, determine the specific catalogs of important data in the region or department and in the relevant industries and fields, and provide priority protection for data included in the catalogs. According to Article 73 of the Draft Internet Data Security Regulations (《網絡資料安全管理條例（徵求意見稿）》) (the "Draft Regulations"), core data refers to data related to national security, national economy,

people's livelihood and major public interests. Important data refers to data that may endanger national security and public interests once it is tampered with, destroyed, leaked or illegally obtained or used.

Regulations Relating to Leasing

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》), which was promulgated on May 28, 2020 and effective on January 1, 2021, a leasing contract shall include clauses dealing with the name, quantity and uses of the leased goods, the period of the lease, rent, deadlines for rent payments and methods of payment, the repair of the leased goods, etc. The lessee may sublease the leased premises to a third party, subject to the consent of the lessor.

Pursuant to the Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994 and last amended on August 26, 2019 and effective on January 1, 2020 and the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development(住房和城鄉建設部) on December 1, 2010 with effect from February 1, 2011, the lessor and lessee shall complete property leasing registration and filling formalities within 30 days from execution of the property lease contract with the competent construction department where the leased property is located.

LAWS AND REGULATIONS IN RELATION TO OUR BUSINESS IN KOREA

Regulations on Foreign Investment

The Foreign Investment Promotion Act (the "**FIPA**") was enacted on September 16, 1998 and amended by Act No. 17799 on December 29, 2020. The purpose of the FIPA is to contribute to the sound development of national economy by promoting foreign investment in Korea by in turn, providing necessary support and benefit thereto. Foreign investment is defined in the FIPA, *inter alia*, as (i) foreigner holding stocks or shares of a Korean corporation in order to participate in the management thereof in accordance with the FIPA and (ii) overseas parent company of a foreign-invested company providing a loan with a maturity of not less than five years to such foreign-invested subsidiary pursuant to Article 2(1)(4) of the FIPA. In order to make a foreign investment, an application along with prescribed documents must be submitted to the President of the Korea Trade-Investment Promotion Agency or the head of a foreign exchange bank pursuant to Article 2(1) of the Enforcement Rules of the FIPA.

Taxes may be reduced or exempted for foreign investments as prescribed in the Restriction of Special Taxation Act and the Restriction of Special Location Taxation Act pursuant to Article 9 of the FIPA.

In addition, a foreign investor or a foreign-invested company must file for registration as a foreign-invested company within 60 days from completion of any of the following: (i) payment for the investment target and (ii) acquisition of stocks of a Korean corporation by the methods explained above pursuant to Article 21 of the FIPA and Article 27(1) of the Enforcement Decree of the same Act.

As Yuehua Korea was wholly owned by Yuehua Limited, a foreign company, at its time of incorporation, it had an obligation to register as a foreign-invested company. In addition, as Yuehua Limited's shareholding ratio in Yuehua Korea changed to 85% following a resolution to issue new shares on August 28, 2020, an amendment registration was necessary. Yuehua Korea validly registered

as a foreign invested company on September 25, 2014 and completed its amendment registration filing on September 16, 2020.

Regulations on Performance Brokerage Agency and Standard Form Contracts for Popular Culture Artists

The Popular Culture and Arts Industry Development Act (the "**PCAIDA**") was enacted on January 28, 2014 and amended by Act No. 18250 on June 15, 2021. A person who intends to conduct popular culture planning business must register with the Ministry of Culture, Sports and Tourism, a central government agency responsible for promoting culture, arts, sports, tourism and religion, pursuant to Article 26(1) of the PCAIDA and Article 6(1) of the Enforcement Decree of the same Act.

Yuehua Korea completed its registration as a popular culture planning business with the Gangnam-gu Office on July 21, 2015.

Furthermore, a popular culture planner entering into a contract on provision of popular culture services on behalf of its affiliated popular culture artists must give the relevant artist a prior explanation on the terms of the contract and cannot enter into a contract against the express opinion of such artist pursuant to Article 10 of the PCAIDA. Moreover, a popular culture planner may not allow any third person to conduct popular culture planning business by using the company's name or lending its certificate of registration pursuant to Article 28 of the PCAIDA. Any person in violation of the foregoing may be imposed an administrative fine not exceeding KRW 10 million.

In addition, under Article 8 of the PCAIDA, the Ministry of Culture, Sports and Tourism must, upon consultation with the Korean Fair Trade Commission, prepare a standard form contract on popular culture services to be entered into between a popular culture artist and a popular culture business. Under the standard form contract, a popular culture business, such as an artist management company, must in principle bear all expenses for a trainee's training activities. While an artist management company bears no obligation to utilize this standard form contract, where a standard form contract is used, the parties to the contract are deemed to have entered into contract on fair and equal terms pursuant to Article 7(3) of the PCAIDA. Yuehua Korea has entered into contract with each of its managed artists based on the standard form contract.

Regulations on Electronic Commerce

The Act on the Consumer Protection in Electronic Commerce was enacted on March 30, 2002, and amended by Act No. 17799 on December 29, 2020. A mail order distributor must file a report including its tradename, address, telephone number, email address, internet domain name, location of the host server computers and other prescribed matters pursuant to Article 12(1) of the Act on the Consumer Protection in Electronic Commerce and Article 13(1) of the Enforcement Decree of the same Act.

Yuehua Korea completed its registration as a mail order distribution business with the Gangnam-gu Office on October 16, 2015, in order to operate an online shopping mall selling goods in connection with its affiliated artists.

Regulations on Intellectual Property

Trademark Act

The Trademark Act was enacted on November 28, 1949, and amended by Act No. 18999 on October 18, 2022. Trademark means a mark used to distinguish goods of one business from those of others pursuant to Article 2(1)(1) of the Trademark Act.

In order to obtain a trademark registration, an application for trademark registration setting out prescribed items must be submitted to the Commissioner of the Korean Intellectual Property Office pursuant to Article 36(1) of the Trademark Act and the application is then examined by examiners pursuant to Article 50 of the Trademark Act. Trademark rights come into existence upon obtaining the trademark registration and establishing trademark rights pursuant to Article 82(1) of the Trademark Act. Furthermore, trademark rights survive for ten (10) years from the date of registration and establishment thereof and such term may be renewed for another years by filing an application to register the renewal of the term within one year prior to the expiration of the term or six months following the expiration of the term pursuant to Articles 83 and 84 of the Trademark Act.

A trademark right holder holds the exclusive right to use the registered trademark in relation to the designated goods pursuant to Article 89 of the Trademark Act. A trademark right holder can seek an injunction requesting the prohibition or prevention of infringement against a person who infringes or is likely to infringe on its right pursuant to Article 107(1) of the Trademark Act. In addition, the trademark right holder can claim damages incurred against a person who has willfully or negligently infringed its trademark right pursuant to Article 109 of the Trademark Act.

As of the Latest Practicable Date, Yuehua Korea used nine trademarks in Korea and the trademark rights thereon have been validly registered.

Internet Address Resources Act

The Internet Address Resources Act was enacted on January 29, 2004 and amended by Act No. 18736 on January 11, 2022. Any person who intends to use domain names or other internet address resources must register such domain names with internet address management organizations or other related authorities pursuant to Article 11(1) of the Internet Address Resources Act. No one may obstruct the registration of any domain name or other internet address resources of a person who has a legitimate source of authority or register, process or use a domain name for unlawful purpose, such as to reap illegal profits from such person who has a legitimate source of authority pursuant to Article 12(1) of the Internet Address Resources Act.

As of the Latest Practicable Date, Yuehua Korea had validly registered seven domains and used four domains under its name.

Regulations Relating to Property Ownership

The Korean Civil Code was enacted on February 22, 1958 and amended by Act No. 17905 on January 26, 2021. A lease becomes effective when one of the parties has agreed to allow the other party to use an object and take profits therefrom, and the other party has agreed to pay rent therefor pursuant to Article 618 of the Korean Civil Code. A lease term may be renewed and in case of a building, such renewal must be effected within three months prior to the expiration of the term pursuant to Article 620 of the Korean Civil Code.

As of Latest Practicable Date, Yuehua Korea lawfully held in total 11 leases for use as housing or training facility. In addition, as of Latest Practicable Date, Yuehua Korea owned the building in which its head office is located and has lawfully granted two leases within this building.