LAWS AND REGULATIONS RELATING TO PROPERTY MANAGEMENT SERVICES AND OTHER RELATED SERVICES

Foreign Invested Property Management Enterprises

On January 1, 2020, the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》) which was jointly issued by the Ministry of Commerce (the "**MOFCOM**") and the State Administration for Market Regulation came into effect and replaced the Provisional Measures for the Filing Administration of Establishment and Changes of Foreign-Invested Enterprise (2018 Revision) (《外商投資企業設立及變更備案管理暫行辦法(2018年修正)》). It sets out the prescribed procedures for the establishment and modifications of foreign-invested enterprise to be registered or filed with delegated commerce authorities through enterprise registration system and specifies the procedures and requirements for online submission in detail.

According to Regulations on Foreign Investment Guidelines (《指導外商投資方向規定》) (Order No. 346 of the State Council), which was promulgated by the State Council on February 11, 2002 and came into effect on April 1, 2002, foreign investment projects shall be classified into four categories, namely "encouraged", "permitted", "restricted" and "prohibited." Encouraged, restricted and prohibited foreign investment projects shall be listed in the Guideline Catalog of Foreign Investment Industries, while foreign investment projects that do not fall within the encouraged, restricted or prohibited categories shall be classified as permitted foreign investment projects.

On June 30, 2019, the MOFCOM and the NDRC promulgated the Catalog of Industries for Encouraging Foreign Investment (Edition 2019) (《鼓勵外商投資產業目錄(2019年版)》) and the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2019) (《外商投資准入特別管理措施(負面清單)(2019年版)》) (the "**Negative List (Edition 2019)**"), both of which came into effect on July 30, 2019, and provide that property management industry is an industry that allows foreign merchants to make investments. On June 23, 2020 and December 27, 2020, the MOFCOM and the NDRC promulgated the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2020) (《外商投資准入特別管理措施(負面清單) (2020年版)》) (the "**Negative List (Edition 2020)**") an d the Catalog of Industries for Encouraging Foreign Investment (Edition 2020) (《鼓勵外商投資產業目錄(2020年版)》), which became effective on July 23, 2020 and January 27, 2021 and superseded the Negative List (Edition 2019) and the Catalog of Industries for Encouraging Foreign Investment (Edition 2019), while the policy for the property management industry remains the same. On December 27, 2021, the MOFCOM and the NDRC promulgated the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2021) (《外商投資准入特別管理措施(負面清單) (2021年版)》), which became effective on January 1, 2022 and superseded the Negative List (Edition 2020), while the policy for the property management industry remains the same.

On March 15, 2019, the National People's Congress (the "**NPC**") adopted 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, the Foreign Investment Law replaced the Law on Sino-foreign Equity Joint Ventures (《中外合資經營企業法》), the Law on Sino-Foreign Co-operative Joint Ventures (《中外合作經營企業法》) and the Law on Wholly Foreign-owned Enterprises (《外資企業法》) to become the legal foundation for foreign investment in the PRC. Under the Foreign Investment Law, the PRC Government shall implement the management system of pre-entry national treatment and a negative list for foreign investments, and shall give national treatment to foreign investments which do not fall into the negative list.

Overseas Listing

On February 17, 2023, the CSRC promulgated Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**") and relevant five guidelines, which became effective on March 31, 2023.

According to the Overseas Listing Trial Measures, PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to fulfill the filing procedure with the CSRC and report relevant information. The Overseas Listing Trial Measures provides that an overseas listing or offering is explicitly prohibited, if any of the following: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller.

The Overseas Listing Trial Measures also provides that if the issuer both meets the following criteria, the overseas securities offering and listing conducted by such issuer will be deemed as indirect overseas offering by PRC domestic companies: (i) 50% or more of any of the issuer's operating revenue, total profit, total assets or net assets as documented in its audited consolidated financial statements for the most recent fiscal year is accounted for by domestic companies; and (ii) the main parts of the issuer's business activities are conducted in mainland China, or its main place(s) of business are located in mainland China, or the majority of senior management staff in charge of its business operations and management are PRC citizens or have their usual place(s) of residence located in mainland China. Where an issuer submits an application for initial public offering to competent overseas regulators, such

issuer must file with the CSRC within three business days after such application is submitted. The Overseas Listing Trial Measures also requires subsequent reports to be filed with the CSRC on material events, such as change of control or voluntary or forced delisting of the issuer(s) who have completed overseas offerings and listings.

On February 17, 2023, the CSRC also issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies (關於境內企業境外發行上市備案管理安排的通知) (the "**Notice**"), which, among others, clarified that domestic companies that have obtained approval from overseas regulatory authorities or securities exchanges (for example, a contemplated offering and/ or listing in Hong Kong has passed the hearing of the Stock Exchange) for their indirect overseas offering and listing prior to the effective date of the Overseas Listing Trial Measures (i.e. March 31, 2023) but have not yet completed their indirect overseas issuance and listing, are granted a six-month transition period from March 31, 2023. Those who complete their overseas offering and listing within such six months are deemed as Existing Issuers（存量企業） and are not required to complete the overseas listing filing immediately, but shall complete filings as required if they conduct refinancing or are involved in other circumstances that require filing with the CSRC. Within such six-month transition period, however, if such domestic companies need to reapply for offering and listing procedures to the overseas regulatory authority or securities exchanges (such as requiring a new hearing of the Stock Exchange), or if they fail to complete their indirect overseas offering and listing, such domestic companies shall complete the filling procedures with the CSRC.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Provision on Confidentiality**"), which became effective on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic company provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic companies providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas offering and listing of domestic companies shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions.

Qualification of Property Management Enterprises

According to the Regulation on Property Management (《物業管理條例》), which was promulgated on June 8, 2003, came into effect since September 1, 2003, and was amended on August 26, 2007, February 6, 2016 and March 19, 2018, the construction administration authority of the State Council shall, jointly with the relevant authorities, establish a joint honesty incentives and joint dishonesty punishment mechanism, and strengthen industry creditworthiness administration.

According to Measures for the Administration on Qualifications of Property Service Enterprises (《物業服務企業資質管理辦法》) (Order No. 125 of the Ministry of Construction), which was promulgated by the Ministry of Construction on March 17, 2004, came into effect on May 1, 2004, amended on November 26, 2007 and abolished on March 8, 2018, a system of qualification administration was once adopted and the qualifications of a property management enterprise were classified into first, second and third grades based on specific conditions.

According to Decision of the State Council on Canceling the Third Batch of Administrative Licensing Items Designated by the Central Government for Implementation by Local Governments (《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》), which was promulgated by the State Council on January 12, 2017, the examination and approval of second grade or below qualifications of property management enterprises were canceled. According to the Decision of the State Council on Canceling a Group of Administrative Licensing Items (《國務院關於取消一批行政許可事項的決定》) (Guo Fa [2017] No. 46), which was promulgated by the State Council on September 22, 2017, the examination and approval of first-grade qualification of property management enterprises were canceled.

According to the Notice of the General Office of Ministry of Housing and Urban-Rural Development on Effectively Implementing the Work of Canceling the Qualification Accreditation for Property Service Enterprises (《住房城鄉建設部辦公廳關於做好取消物業服務企業資質核定相關工作的通知》) (Jian Ban Fang [2017]No.75), which was promulgated by the General Office of the Ministry of Housing and Urban-Rural Development (the "**MOHURD**") on December 15, 2017, application for, 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. The real estate administration department at and above the county level shall, together with relevant departments and pursuant to their respective duties, instruct and supervise the property management work, and the integrity management system of the property management industry will be established and the supervision of property management enterprises will be based on credit appraisal. The Decision of Ministry of Housing and Urban-Rural Development on Abolishing Measures for the Administration on Qualification of Property Service Enterprises (《住房和城鄉建設部關於廢止〈物業服務企業資質管理辦法〉的決定》) (Order No. 39 of MOHURD) which was promulgated and came into effect on March 8, 2018, abolished Measures for the Administration on Qualifications of Property Service Enterprises and canceled the accreditation of qualifications of property management enterprises.

The Decision of the State Council on Revising and Repealing Certain Administrative Regulations (2018) (《國務院關於修改和廢止部分行政法規的決定(2018年)》) (Order No. 698 of the State Council) which was promulgated and came into effect on March 19, 2018, deleted the requirements on qualifications of property management enterprises in the Regulation on Property Management.

The Establishment of Property Owners' Associations

According to the Property Law of the PRC (《中華人民共和國物權法》) (Order No. 62 of the President of the PRC) issued by the NPC on March 16, 2007 which came into effect on October 1, 2007 and was repealed on January 1, 2021, the general meeting of property owners may vote to establish a property owners' association. The property owners' association shall be elected by the property owners, and represents the property owners' interest in matters related to property management, and the association's decisions are binding on the property owners.

According to the Civil Code of the PRC (《中華人民共和國民法典》) (Order No. 45 of the President of the PRC) (the "**Civil Code**") promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, the property owners may establish the general meeting and 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 non- residential properties are not required to establish a property owners' association under the relevant PRC laws and regulations.

According to the Regulation on Property Management (《物業管理條例》) (Order No. 379 of the State Council), which was promulgated by the State Council on June 8, 2003, came into effect on September 1, 2003 and was revised on August 26, 2007, February 6, 2016 and March 19, 2018, to form the general meeting of the property owners and elect the property owners' association, the property owners in the property management area shall follow the guidelines of the real estate administrative department of the district or county government or the sub-district office (街道辦事處) or the township government (鄉鎮政府). However, where there is only one owner, or the number of property owners is relatively small and they unanimously agree not to form the general meeting of the property owners, the owner(s) shall (jointly) perform the duties of the general meeting and the property owners' association. The local government shall provide guidance and assistance with respect to the formation of the property owners' association, providing guidelines and advice. The Circular on Issuing the Guidance Rules of the General Meeting of the Property Owners and the Property Owners' Association (《關於印發業主大會和業主委員會指導規則的通知》) (Jian Fang [2009] No. 274), which was promulgated by the MOHURD on December 1, 2009, came into effect on January 1, 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.

With a view to improving the property management level and responding to the requirements of the newly revised national regulations on property management and the Civil Code, property management regulations have been revised in various places, such as Jiangsu Province, Hangzhou, Ningbo and Taizhou in Zhejiang Province, to promulgate a property management committee system. For example, the Hangzhou Property Management Regulations (《杭州市物業管理條例》) (came into effect on March 1, 2022) stipulates that the property management committee consists of the representatives designated by sub-district

offices (街道辦事處), township government (鄉鎮政府), neighborhood committees (居民委員會), construction entities respectively and property owners' representatives. The main tasks of the property management committee are to organize and hold the first assembly of property owners in qualified property management areas, elect or guide the reelection of the property owners' associations. For the property management areas where conditions for the convening of the first assembly of property owners have not been met, or where the conditions thereof have been met but the general meeting of property owners has not yet been established, or where the property owners' association has not been elected in time, the property management committees shall temporarily perform the duties of the property owners' associations.

Appointment of Property Management Enterprises

According to Property Law of the PRC (《中華人民共和國物權法》) (Order No. 62 of the President of the PRC) issued by the NPC on March 16, 2007 which came into effect on October 1, 2007 and was repealed on January 1, 2021, the property owners may manage the building and its affiliated facilities by themselves or by entrusting property management enterprise or other management personnel. The owners are entitled to change the property management enterprise or any other management personnel hired by the developer according to law. Property management enterprises or other management personnel shall manage the building and its ancillary facilities within the building area upon the entrustment of the owners and be subject to the supervision of the owners.

In accordance with the Civil Code, the appointment or dismissal of a property management company should be codetermined by property owners in a property management area. Property owners can either manage the buildings and ancillary facilities by themselves, or engage a property management company or other management personnel to manage the buildings and ancillary facilities. Property owners are entitled to change property management companies or other management managers appointed by the property developer.

According to the Regulation on Property Management (《物業管理條例》) (Order No. 379 of the State Council), which was promulgated by the State Council on June 8, 2003, came into effect on September 1, 2003 and was revised on August 26, 2007, February 6, 2016 and March 19, 2018, a general meeting of the property owners of a community can engage or dismiss the property management enterprise with affirmative votes of owners who own more than half of the total gross floor area (the "**GFA**") 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, can sign property management service contract with property management enterprises engaged at the general meeting. Before the engagement of a property management enterprise by the property owners and a general meeting of the property owners, a written preliminary property management service contract should be entered into between the property developer and the selected property management enterprise. A sales contract concluded by the property developer and the realty buyer shall include the contents stipulated in the preliminary property management service contract. The preliminary property management service contract may stipulate the contract term. If the property management

service contract signed by the property owners' association and the property management enterprise comes into force within the term of preliminary property management service contract, the preliminary property management service contract shall be terminated automatically. Property developers of residential buildings shall enter into preliminary property management service contract with property management enterprises through tender and bidding process; where there are no more than three bidders or the residence scale is relatively small, the property developer may select a property management enterprise through agreement upon approval by the real estate administration department of district or county level at the place where the realty is located. Where the property developer fails to hire the property management enterprise through a tender and bidding process or hire the property management enterprise through agreement without the approval of relevant government authority, the competent real estate administrative department of the local government at the county level or above may order it to make correction within a prescribed time limit, issue a warning and impose with the penalty of no more than RMB100,000.

According to the Civil Code, a quorum for the general meeting of the property owners to engage or dismiss a property management enterprise shall consist of the property owners holding more than two-thirds of exclusive areas and representing more than two-thirds of the total number of property owners and shall have affirmative votes of property owners who participate in the voting and hold more than half of the exclusive area owned by the voting owners and who represent more than half of the total number of property owners participating in voting. In addition, the Civil Code clarifies that if property owners do not renew the property management contract or engage a new property service provider after expiration of the term of property management services and the property service provider continues providing property services, the original property service contract shall continue to be valid without a fixed term. Each party may rescind the contract by sixty days' advance written notice to the other parties. In addition, the Civil Code explicitly requires that any income generated from the usage of common space in properties under management, net of any reasonable operating costs, shall belong to the property owners. Under the Civil Code, the income from the buildings and ancillary facilities shall be distributed according to the property owners' agreement or based on their respective proportion of the total GFA of the exclusive area of the community if there is no agreement or the agreement is ambiguous.

The Interim Measures for Bid-Inviting and Bidding Management of Preliminary Property Management (《前期物業管理招標投標管理暫行辦法》) (Jian Zhu Fang [2003] No. 130), which was promulgated by the Ministry of Construction on June 26, 2003 and came into effect on September 1, 2003, applied to preliminary property management service agreement implemented by the property management enterprise, which is employed by the property developer before the owners or the owners' general meeting select and engage a property management enterprise at its own discretion. The property developer of residential buildings and non-residential buildings located in the same property management areas shall engage the property management enterprises with corresponding qualification through bid-invitation and bidding. The bid inviter shall establish tender evaluation committee consisting of an odd number of no less than five members, among whom the experts in property management other than the representatives of the bid inviter shall be no less than two-thirds of total members.

The property management experts shall be confirmed by the means of random sampling from the expert name list set up by the administrative departments of real estate, and person of interest with the bidder shall not be a member of the tender evaluation committee of the relevant project. In cases where there are no more than 3 bidders or the residence scale is relatively small, the property developer may select the property management enterprise with corresponding qualifications through agreement upon approval by the administrative department of real estate of the people's government of the district or county of the place where the realty is located.

Fees Charged by Property Management Enterprises

According to Administrative Measures for Property Service Charges (《物業服務收費管理辦法》) (Fa Gai Jia Ge [2003] No. 1864), which was jointly promulgated by the NDRC and the Ministry of Construction on November 13, 2003 and came into effect on January 1, 2004, property management enterprises are permitted to charge property service fees from property owners for repairing, maintaining and managing houses as well as their ancillary facilities and equipment and relevant sites, and maintaining the sanitation and order of relevant areas according to relevant property management contracts.

Property service charges shall be reasonable, transparent, and suitable for the level of services offered, and shall take into account the unique nature and characteristics of the different properties and be priced under the government's guidance and market regulation respectively. In which way the service is priced shall be determined by competent price departments under the people's governments of all provinces, autonomous regions and municipalities directly under the central government, in concert with the competent departments of real estate.

According to the Regulation on Property Management Service Fee with Clear Price Tag (《物業服務收費明碼標價規定》) (Fa Gai Jia Jian [2004] No. 1428), which was jointly promulgated by the NDRC and the Ministry of Construction on July 19, 2004 and came into effect on October 1, 2004. If property management enterprises provide services to property owners (including the property services as stipulated in the property management agreement as well as other services requested by property owners), they shall, in accordance with such regulations, charge service fees at clearly marked prices and indicate the service items, standard of charges and other related information. In case there is any change to the pricing standard, the property management enterprise shall adjust the related contents displayed and indicate the execution date of new standards one month prior to the implementation of the new standards.

According to the Circular of the NDRC on the Opinions for Decontrolling the Prices of Some Services (《國家發展和改革委員會關於放開部分服務價格意見的通知》) (Fa Gai Jia Ge [2014] No. 2755), which was promulgated by the NDRC and became effective on December 17, 2014, the competent price departments of all provinces, autonomous regions and municipalities directly under the PRC Government are supposed to perform relevant procedures to liberalize 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 as agreed in the property management service contract for (i) the maintenance, conservation and management of non-government-supported houses, their supporting facilities and equipment and the relevant sites thereof, (ii) maintaining the environment, sanitation, and order within the property management area, etc. 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 based upon 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 management of parking spaces and parking facilities.

According to the Circular of the NDRC and the Ministry of Construction on Issuing the Measures for the Supervision and Examination of Pricing Costs of Property Services (Trial) (《國家發展改革委及建設部關於印發〈物業服務定價成本監審辦法(試行)〉的通知》) (Fa Gai Jia Ge [2007] No. 2285) which was jointly issued by the NDRC and the Ministry of Construction on September 10, 2007 and came into effect on October 1, 2007, competent pricing department of people's government shall formulate or adjust property management charging standards and implements pricing cost supervision and examination on relevant property management enterprises. Property management pricing cost shall be determined according to the social average cost of property management services determined by the competent pricing department of the people's government. With the assistance of a competent real estate administrative department, competent pricing department is responsible for organizing 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 of public facilities and equipment, green conservation costs, sanitation fees, 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 Administrative Measures of Zhejiang Province on Property Management Service Charges (Trial) (《浙江省物業服務收費管理實施辦法(試行)》), which was promulgated by the Price Bureau of Zhejiang Province and the Ministry of Construction of Zhejiang Province on March 28, 2005 and came into effect on May 1, 2005, the fees charged by property management enterprises shall be determined with references to the government guidance prices or market prices, which are set based on different situations, including the type of relevant property to which the property management services are provided, the stage of the property management services and the nature and features of the property management services provided. The preliminary property management service charges for ordinary residential properties (excluding high-standard residential properties such as villas) shall comply with government guidance price; the property management service charges for

non-residential properties, high-standard residential properties such as villas and ordinary residential properties after the establishment of property owners' associations shall be determined by the market. According to the Notice of Zhejiang Provincial Development and Reform Commission on Publishing the Pricing Catalogue of Zhejiang Province (Edition 2022) (浙江省發展改革委關於印發《浙江省定價目錄（2022年版）》的通知) (Zhe Fa Gai Jia Ge [2022] No. 163) , which was promulgated on June 17, 2022 and came into effect on August 1, 2022, other than that the preliminary property management charges of ordinary residential properties in municipal districts to which government guidance prices continue to be applicable, the price control on the preliminary property management charges of ordinary residential properties in non-municipal districts has been cancelled. According to the Notice of Price Bureau of Anhui Province on Publishing the Pricing Catalogue of Anhui Province (《安徽省物價局關於公佈<安徽省定價目錄>的通知》) (Wan Jia Fa [2018] No.17), which was promulgated on February 11, 2018 and came into effect on March 1, 2018, the municipal governments and governments of counties are authorized to set the government guidance price of the preliminary property management service for ordinary residential properties.

Continuous Rectification and Regulation of the Real Estate Market Order

On July 13, 2021, MOHURD and relevant authorities promulgated Notice on the Continuous Rectification and Regulation of the Real Estate Market Order (關於持續整治規範房地產市場秩序的通知) (Jian Fang [2021] No. 55) (the "**Regulatory Notice**"). The Regulatory Notice reiterated several requirements to regulate the real estate market as well as property management industry in the PRC. The key issues in relation to the provision of property management services identified in the Regulatory Notice which require rectification and regulation include (i) failing to provide services in accordance with the property services contract; (ii) failing to disclose the information in respect of the property service, such as charging standards for the property services, information in relation to the operation of the owners' common areas, the income generated therefrom and utilization of maintenance and repair funds in accordance with applicable laws and regulations; (iii) charging fees out of the scope of the contract or announced charging standards; (iv) using the owners' common areas to carry out business activities without authorization, encroaching or misappropriating income generating from the operation of the owners' common areas; and (v) refusing to withdraw from the property management project without a proper reason upon rescission or termination of the property services contract. The Regulatory Notice also requires local authorities shall, in light of the actual conditions, innovate ideas, take multiple measures simultaneously, and carry out rectification pursuant to the laws and regulations. For property services enterprises 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 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.

Fire Protection

Pursuant to the Fire Protection Law of the PRC (《中華人民共和國消防法》), which was promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on April 29, 1998, and was amended on October 28, 2008, April 23, 2019 and April 29, 2021, property management enterprises of residential districts shall carry out maintenance and administration of common firefighting facilities within the area under their management, and provide fire safety prevention services.

REGULATIONS ON PARKING SERVICE FEES

According to the Guidance on the Planning, Construction and Management of Urban Parking Facilities (《關於城市停車設施規劃建設及管理的指導意見》) (Jian Cheng [2010] No. 74) (jointly promulgated by the MOHURD, the Ministry of Public Security and the NDRC and came into effect on May 19, 2010), a franchise management system shall be adopted with market access and exit standards and the professional urban parking service enterprises shall be selected in an open, fair and equitable manner. Pursuant to the Circular of the MOHURD on Strengthening the Administration of Urban Parking Facilities (《住房和城鄉建設部關於加強城市停車設施管理的通知》) (Jian Cheng [2015] No. 141) (promulgated by the MOHURD on September 22, 2015 and came into effect on the same day), the implementation of franchise in-road parking lots and public parking lots invested and constructed by government is encouraged.

Pursuant to Guidance on Further Improving Charging Policies for Motor Vehicle Parking Service (《關於進一步完善機動車停放服務收費政策的指導意見》)(Fa Gai Jia Ge [2015] No. 2975) (jointly promulgated by the NDRC, the MOHURD and the Ministry of Transport on December 15, 2015 and came into effect on the same day), the fees charged in parking service shall be market-oriented, and the scope of government guidance prices in parking services shall be gradually reduced to encourage the construction of parking facilities by social capital. Furthermore, the implementation of differentiated charges according to the location of parking facilities, parking time and the type of motor vehicles etc. shall be accelerated.

According to the Circular of the NDRC on the Opinions for Decontrolling the Prices of Some Services (《國家發展和改革委員會關於放開部分服務價格意見的通知》) (Fa Gai Jia Ge [2014] No. 2755) (promulgated by NDRC on December 17, 2014 and came into effect on the same day), price control on parking services in residential communities meeting certain conditions was also liberalized.

LAWS AND REGULATIONS ON DATA SECURITY AND PRIVACY

According to the Civil Code, personal information refers to all kinds of information recorded by electronic or otherwise that can be used to independently identify or be combined with other information to identify specific natural persons, including the natural persons' names, dates of birth, ID numbers, biometric information, addresses, telephone numbers, e-mail addresses, health information, whereabouts, etc. The personal information of a natural person shall be protected by the law. Any organization or individual shall legally obtain the personal information of others when necessary and ensure the safety of such personal information, and shall not illegally collect, use, process or transmit the personal information of others, or illegally buy or sell, provide or make public the personal information of others.

According to the Cyber Security Law of the PRC (《中華人民共和國網絡安全法》), which was promulgated by the SCNPC on November 7, 2016 and came into effect on June 1, 2017, network operators shall comply with laws and regulations and fulfill their obligations to ensure the security of the network when conducting business and providing services. Those who provide services through networks shall take technical measures and other necessary measures in accordance with laws, regulations and compulsory national requirements to safeguard safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities committed on the network, and maintain the integrity, confidentiality, and availability of network data. In addition, the network operators shall neither collect the personal information irrelevant to the services provided by them nor collect or use the personal information in violation of the provisions of any laws or administrative regulation or the agreement between both parties.

On December 28, 2012, the SCNPC promulgated the Decision on Strengthening Information Protection on Networks (《關於加強網絡信息保護的決定》) to enhance the protection of information security and privacy on the internet. On July 16, 2013, the Ministry of Industry and Information Technology promulgated the Provisions on Protection of Personal Information of Telecommunication and the Internet Users (《電信和互聯網用戶個人信息保護規定》), which came into effect on September 1, 2013, to regulate the collection and use of personal information of users in the provision of telecommunication service and the internet information service. According to the Several Provisions on Regulating the Market Order of the Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), which was promulgated by the Ministry of Industry and Information Technology on December 29, 2011 and came into effect on March 15, 2012, without the consent of users, the internet information service providers shall neither collect information which is relevant to users and can serve to identify users solely or in combination with other information nor shall they provide personal information of users to others, unless otherwise provided by laws and administrative regulations.

Pursuant to the Cyber security Review Measures (2021), operators of critical information infrastructure which purchase network products and services and online platform operators which carry out data processing activities that affect or may affect national security, shall conduct cyber security review. According to the Cyber security Review Measures (2021), an online platform operator which holds and controls more than one million users' personal information must report to the Cyber Security Review Office for a cyber security review if it intends to be listed abroad (國外上市).

Pursuant to the Data Security Law of the PRC (《中華人民共和國數據安全法》), which was promulgated by the SCNPC on June 10, 2021 and became effective on September 1, 2021, data processing activities (including the collection, storage, use, processing, transmission, provision and disclosure of data) shall be carried out in accordance with the provisions of laws and regulations, a whole-process data security management system should be established and improved, data security education and training should be organized and carried out, and corresponding technical measures and other necessary measures should be taken to ensure data security. The use of the internet or other information networks to carry out data processing activities shall fulfill the aforementioned data security protection obligations based on the cyber security classified protection system. Processors of important data should specify the person responsible for data security and management agencies to implement data security protection responsibilities.

Pursuant to 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 became effective on November 1, 2021, personal information shall be processed (including the collection, storage, use, processing, transmission, provision, disclosure and deletion of personal information) following the principles of lawfulness, legitimacy, necessity and integrity, and shall not be processed through misleading, fraudulent, coercive or other means. The processing of personal information shall have a clear and reasonable purpose, and shall be directly related to the purpose of processing, and should adopt a method that has the least impact on personal rights and interests. The collection of personal information should be limited to the minimum scope of achieving the purpose of processing, and excessive collection of personal information shall not be allowed. Processing of personal information shall follow the principles of openness and transparency, with personal information processing rules disclosed. The purpose, manner and scope of processing should be explicitly disclosed. Personal information processors shall be responsible for their personal information processing activities and take necessary measures to ensure the security of the personal information processed.

Pursuant to the Draft Regulations on Administration of Network Data Security published by Cyberspace Administration of China on November 14, 2021, the PRC Government will focus on the protection of personal information and important data and strictly protect core data. Data processors shall be responsible for the data security and shall fulfill their obligations of data security protection in data processing. Data processors shall take necessary measures such as backup, encryption and access control to protect data from disclosure, theft, tampering, destruction, loss and illegal use, to deal with data security incidents, and to prevent illegal and criminal activities targeting and using data, and maintain

the integrity, confidentiality and availability of data. It stipulates that data processors shall, in accordance with relevant national regulations, apply for cyber security review if they engage in the following activities, including, among others, i) intending to be listed abroad which processes more than one million users' personal information, or ii) intending to be listed in Hong Kong which affect or may affect national security. As at the Latest Practicable Date, the Draft Regulations on Administration of Network Data Security had not been formally adopted.

According to the relevant provisions in the Notice on Strengthening and Improving the Administration of Residential Property Management (《關於加強和改進住宅物業管理工作的通知》) jointly issued by the MOHURD, the Central Political and Legal Affairs Commission, the Central Civilization Office and other seven authorities, property service enterprises are encouraged to use technologies such as Internet of Things, cloud computing, big data, block chain and artificial intelligence to build a smart property management service platform and improve the level of property wisdom management services. However, subject to the privacy and personal information protection requirements stipulated in the Civil Code and Personal Information Protection Law of the PRC (came into effect on November 1, 2021), some cities have introduced specific implementation measures to regulate the use of biometric authentication and mandatory consumption of value-added community services, such as the Hangzhou Property Management Regulations (came into effect on March 1, 2022), which clarify that property management service providers shall not (i) compulsorily require property owners or residents to provide facial features, fingerprints or other biometric information for the purpose of entering into the areas that are under their management or using the relevant common areas; (ii) disclose personal information of property owners and residents obtained in the course of provision of property management services; (iii) compulsorily require property owners or residents to purchase the goods or services provided or designated by the property management service providers; and (iv) infringe the personal and property rights of property owners and residents.

LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise 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》) (Order No. 63 of the President), which was promulgated by the NPC on March 16, 2007, and came into effect on January 1, 2008, and then amended respectively on February 24, 2017 and December 29, 2018, and the Enterprise Income Tax Implementation Rules (《企業所得税法實施條例》) (Order No. 512 of the State Council), which was promulgated by the State Council on December 6, 2007 and became effective from January 1, 2008 and was amended on April 23, 2019, enterprises are classified as either resident enterprises and non-resident enterprises. The income tax rate for resident enterprises, including both domestic and foreign-invested enterprises shall typically be 25% since January 1, 2008. An enterprise established outside the PRC with its "de facto management body" located in the PRC is considered a "resident enterprise", which means it can be treated as domestic enterprise for enterprise income tax purposes. A non-resident enterprise that does not have an establishment or place of business

in the PRC, or has an establishment or place of business in the PRC but the income of which has no actual connection with such establishment or place of business, shall pay enterprise income tax on its income deriving from inside the PRC at the reduced rate of enterprise income tax of 10%.

Income Tax in Relation to Dividend Distribution

Pursuant to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on 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於對所得稅避免雙重徵稅和防止偷漏稅的安排》), which was promulgated by the State Taxation Administration and the Government of Hong Kong and became effective on December 8, 2006, if the beneficial owner directly holds at least 25% of the equity capital in a PRC company, a withholding tax at the rate of 5% shall be paid in connection with the dividend paid by the PRC company to such Hong Kong tax resident; while if the beneficial owner directly holds less than 25% of the equity capital in a PRC company, a withholding tax at the rate of 10% shall be paid in connection with the dividend paid by the PRC company to such Hong Kong tax resident.

Pursuant to the Circular of the State Taxation Administration on Relevant Issues relating to 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》) promulgated by the State Taxation Administration and became effective on February 20, 2009, all of the following requirements must be satisfied for a resident enterprise to enjoy the preferential tax rates provided under the tax treaties: (i) such a tax resident who obtains dividends should be a company as defined in the tax agreement; (ii) the equity and voting interests in the PRC resident enterprise directly owned by such fiscal resident must reach a specified percentage; and (iii) the equity interests of the PRC resident enterprise directly owned by such tax resident, at any time during the consecutive 12 months prior to the payment of the dividends, must reach a specified percentage in such tax treaty.

Pursuant to the Administrative Measures on Enjoying Treaty Benefits for Non-Resident Taxpayers (《非居民納稅人享受協定待遇管理辦法》), which was issued on October 14, 2019 by the State Taxation Administration and became effect on January 1, 2020 a non-resident taxpayer who make their own declaration shall make self-assessment regarding whether they are entitled to tax treaty benefits and submit the relevant reports, statements and materials stipulated in Article 7 thereof. Also, all levels of tax authorities shall, through strengthening follow-up administration for non-resident taxpayers' entitlement to tax treaty benefits, implement treaties accurately, and prevent abuse of treaties and tax evasion and tax avoidance risks.

The Announcement of the State Taxation Administration on Issues concerning "Beneficial Owners" in Tax Treaties (《國家税務總局關於税收協定中"受益所有人"有關問題的公告》) (the "**Announcement 9**"), which was promulgated by the State Taxation Administration on February 3, 2018 and took effect on April 1, 2018, provides the methods to determine the "beneficial owners" under the treaty articles on dividends, interest and royalties. Pursuant to Announcement 9, a "beneficial owner" generally must be engaged in substantive business activities and, for determining such a "beneficial owner", a comprehensive analysis shall be conducted based on the factors set out in the Announcement 9 and in combination with the actual conditions of the specific case.

Value-added Tax

According to the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which was promulgated by the State Council on December 13, 1993, came into effect on January 1, 1994, and was amended on November 10, 2008, February 6, 2016 and November 19, 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》) (No. 65 Order of the Ministry of Finance and State Tax Administration), which were issued on December 25, 1993 by the Ministry of Finance, and became effective on the same day and revised on December 15, 2008 and October 28, 2011 (collectively, the "**VAT Law**"), the organizations and individuals engaging in sale of goods or processing, repair and assembly services (hereinafter referred to as "**Labor Services**"), sale of services, intangible assets, immovables and imported goods in the PRC shall be taxpayers of Value-added Tax ("**VAT**"), and the tax rate for taxpayers engaging in sale of services and intangible assets shall be 6% unless otherwise stipulated and for taxpayers selling goods, labor services, or tangible movable property leasing services or imported goods shall be 17% unless otherwise stipulated.

In addition, in accordance with the Notice on Fully Launch of the Pilot Scheme for the Conversion of Business Tax to Value-Added Tax (《關於全面推開營業税改徵增值税試點的通知 》) (Cai Shui [2016] No. 36) which was issued by the Ministry of Finance and the State Taxation Administration on March 23, 2016 and came into effect on May 1, 2016, the state started to fully implement the pilot change from business tax to value-added tax on May 1, 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 VAT instead of business tax.

According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增值税改革有關政策的公告》), which was issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on March 20, 2019 and came into effect on April 1, 2019, for VAT taxable sales or imported goods of a VAT general taxpayer where the VAT rate of 16% applies currently, it shall be adjusted to 13%, the currently applicable VAT rate of 10% shall be adjusted to 9%.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE CONTROL

According to Regulations on Foreign Exchange Administration of the PRC (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Administration Regulations**"), which was promulgated by the State Council of on January 29, 1996 and came into effect since April 1, 1996 and was amended on January 14, 1997 and August 5, 2008, RMB is generally freely convertible for payments of current account items, such as trade and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan or investment in securities outside the PRC, unless the prior approval by the State Administration of Foreign Exchange (the "**SAFE**") or its local counterparts is obtained.

According to the Circular of the SAFE on Reforming the Administration Measures on Settlement of Foreign Exchange Registered Capital of Foreign-invested 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》) (Hui Fa [2015] No. 19) ("**SAFE Circular 19**"), which was promulgated on March 30, 2015 and became effective on June 1, 2015, a foreign-invested enterprise may, in response to its actual business needs, settle with a bank the portion of the foreign exchange capital in its capital account for which the relevant foreign exchange bureau has confirmed monetary contribution rights and interests (or for which the bank has registered the account crediting of monetary contribution). Foreign-invested enterprises are allowed to settle such portion at 100% tentatively of their foreign exchange capital on a discretionary basis. Furthermore, SAFE Circular 19 stipulates that the use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use within the business scope of enterprises.

According to the Notice of the SAFE on Reforming and Regulating the Policies for the Administration of Foreign Exchange Settlement under the 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》) (Hui Fa [2016] No. 16) ("**SAFE Notice 16**"), which was promulgated and became effective on June 9, 2016, enterprises registered in the PRC (including Chinese-funded enterprises and foreign- funded enterprises, but excluding financial institutions) may also covert their foreign debt from foreign currency into RMB on self-discretionary basis. SAFE Notice 16 also provides an integrated standard for settlement of foreign exchange under capital account items (including but not limited to foreign currency capital, foreign debt and funds recovered from overseas listing) on a self-discretionary basis, which applies to all enterprises registered in the PRC. Domestic institutions may, at their discretion, settle up to 100% of their foreign exchange receipts under the capital account. The SAFE may adjust the aforesaid proportion in due time based on the balance of payment.

On October 23, 2019, the SAFE promulgated the Circular on Further Promoting the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》) ("**Circular No. 28**"). Pursuant to Circular No. 28, on the basis of allowing investment-oriented foreign-invested enterprises (including foreign-invested investment companies, foreign-invested venture capital enterprises and foreign-invested equity investment enterprises) to use capital funds for domestic equity investment in accordance with laws and regulations, non-investment foreign-invested enterprises shall be allowed to use capital funds for domestic equity investment in accordance with the laws under the premise of not violating the Negative List and the domestic invested projects being authentic and compliant.

LAWS AND REGULATIONS RELATING TO LABOR

Enterprises in China are mainly subject to the following PRC labor laws and regulations: the Labor Law of the PRC (《中華人民共和國勞動法》), the PRC Labor Contract Law (《中華人民共和國勞動合同法》), the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), 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.

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), which was promulgated by the SCNPC on July 5, 1994 and amended on August 27, 2009 and December 29, 2018, companies must enter into employment contracts with their employees, based on the principles of equality, consent and agreement through consultation. Companies must establish and effectively implement a system of ensuring occupational safety and health, educate employees on occupational safety and health, preventing work-related accidents and reducing occupational hazards. Companies must also pay for their employees' social insurance premium.

The principal regulation governing the employment contract is the PRC Labor Contract Law (《中華人民共和國勞動合同法》), which was promulgated by the SCNPC on June 29, 2007 and was amended on December 28, 2012 and came into effect on July 1, 2013, pursuant to which, employers shall establish an employment relationship with employees on the date that they start employing the employees. To establish employment, a written employment contract shall be concluded, or employers will be liable for illegal actions. Furthermore, the probation period and liquidated damages shall be restricted by the law to safeguard employees' rights and interests.

As required under the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), 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》) and the Administrative Regulation on Housing Provident Fund (《住房公積金管理條例》), 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》) (Order No. 35 of the President of the PRC) (promulgated by the SCNPC on October 28, 2010 and came into effect on July 1, 2011 and as amended on December 29, 2018), employers must carry out social insurance registration at the local social insurance agency, provide social insurance and pay and withhold the relevant social insurance premiums for and on behalf of employees. 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 fail to do so within the time limit, employers 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 staffs and other directly responsible persons shall be fined RMB500 to RMB3,000. Where an employer fails to pay social insurance premiums in full or on time, the social insurance premium collection agency shall order it to pay or make up the balance within a prescribed time limit, and shall impose a daily late fee at the rate of 0.05% of the outstanding amount from the due date; if the employers still fail to pay within the time limit prescribed, a fine of one time to three times the amount in default will be imposed on them by the relevant administrative department. Also, it has consolidated pertinent provisions for basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance, and the legal obligations and liabilities of employers who do not comply with relevant laws and provisions on social insurance have been stipulated in detail.

On July 20, 2018, the General Office of the Communist Party of China and the General Office of the State Council of the PRC issued the Reform Plan of the State Tax and Local Tax Collection Administration System (《國税地税徵管體制改革方案》) (the "**Reform Plan**"). Under the Reform Plan, from January 1, 2019, tax authorities will be responsible for the collection of social insurance contributions in the PRC.

Pursuant to the Notice of the General Office of the State Taxation Administration of on Conducting the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (《國家稅務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》), promulgated on September 13, 2018, the tax authorities shall properly handle historical arrears under the principle of clearly sorting out and properly taking over historical outstanding accounts and not organising the review of arrears on their own. Pursuant to the Urgent Notice on Implementing the Spirit of the Executive Meeting of the State Council in Stabilising the Collection of Social Security Contributions (《關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》) released by the Ministry of Human Resources and Social Security on September 21, 2018, the relevant policies for both the rate and basis of social insurance contributions shall remain unchanged until the reform on the transfer of the authority for social insurance has been completed, and it is strictly prohibited for the relevant authorities to collectively initiate and proactively collect historical outstanding social security contributions from enterprises. On November 16, 2018, the State Taxation Administration released the Notice of Certain Measures on Further Supporting and Serving the Development of Private Economy (《關於實施進一步支持和服務民營經濟發展若干措施的通知》), which provided that the policy for social insurance shall remain stable and the State Taxation Administration will pursue to lower the social insurance contribution rates with the relevant authorities, and ensure the overall burden of social insurance contribution on enterprises will decline.

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 April 3, 1999 and became effective on the same day, and amended on March 24, 2002 and March 24, 2019, the housing provident fund contributions by the individual employee and 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 provident fund payment and deposit registration in the housing provident fund administrative center. For enterprises who violate the above Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) and fail to apply for housing provident fund deposit registration or open housing provident fund accounts for their employees, the housing provident fund administrative center may order the relevant enterprises to make corrections within a prescribed period. If an enterprise violates such regulations as a result of failing to complete the housing provident fund deposit registration or failing to complete the formation procedures related to housing provident fund accounts for its employees, the housing provident fund administration center may order it to complete the relevant procedures within a prescribed period; if the relevant procedures are not completed within such prescribed period, it shall be subject to a fine ranging from RMB10,000 to RMB50,000. If an enterprise violates the provisions of such regulations as a result of failing to pay the housing provident fund in time or in full, the housing provident fund administration center may order such enterprise to make the payment within a prescribed period; if the payment is not made within such prescribed period, the relevant authority may petition the people's court for judicial enforcement.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark Law

According to the Trademark Law of the PRC (《中華人民共和國商標法》) (Order No. 10 of SCNPC), which was promulgated on August 23, 1982, amended on February 22, 1993, October 27, 2001, August 30, 2013 and April 23, 2019, and came into effect on November 1, 2019, and the Implementation Regulations on the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) which was promulgated by the State Council on August 3, 2002, amended on April 29, 2014, and came into effect on May 1, 2014, the trademark registrant may, by concluding a trademark licensing contract, authorize others to use the registered trademark. The licensor shall supervise the quality of the goods on which the licencee uses the licensor's registered trademark, and the licencee shall guarantee the quality of the goods on which the registered trademark is used. For licensed use of a registered trademark, the licensor shall file record of the licensing of the said trademark with the trademark bureau and published by it, while non-filing of the licensing of a trademark shall not be contested against a good faith third party.

Domain Name

According to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》) (No. 43 Order of the Ministry of Industry and Information Technology), which was issued by the Ministry of Industry and Information Technology on August 24, 2017 and came into effect on November 1, 2017, the Ministry of Industry and Information Technology is responsible for managing Internet network domain names of China. The "CN" and the "zhongguo (in Chinese character)" shall be China's national top-level domains. The principle of "first-to-file" is adopted for domain name services. The applicant of domain name registration shall provide the agency of domain name registration service with the true, accurate and complete information about the domain name holder's identity for the registration purpose. Upon the completion of the registration process, the applicant will become the holder of the relevant domain name.