

To:

**The Company**  
**X.J. Electrics (Hu Bei) Co., Ltd**  
湖北香江电器股份有限公司  
Kai Di Road  
Li Shi Zhen Industrial Park  
Qichun County  
Hubei Province  
PRC

**The Sole Sponsor-Overall Coordinator**  
**Sinolink Securities (Hong Kong) Company Limited**  
Units 3501-08  
35/F, Cosco Tower  
183 Queen's Road Central  
Hong Kong  
(for itself and on behalf of the Hong Kong Underwriters and the Capital Market Intermediaries)

Date: 17 June 2025

**RE: LEGAL OPINION ON X.J. ELECTRICS (THAILAND) CO., LTD.**

Dear Director,

We have been requested to provide this legal opinion, in our capacity as an independent Thai legal counsel of X.J. ELECTRICS (THAILAND) CO., LTD. ("Target Company"), in connection with the compliance of Target Company in Thailand as per your instruction.

We hereby provide to you our legal research and analysis on such aforesaid matters for your consideration as below.

## **1. BACKGROUND**

The Target Company, officially known as X.J. ELECTRICS (THAILAND) CO., LTD. and registered under the number 0105567083733, is a Limited Company located at No. 65 Soi Paknam Krajomthong 39, Bang Phrom Subdistrict, Taling Chan District, Bangkok 10170. Incorporated on 23 April 2024, the company has been in active business for five months. As at the date of this opinion, its primary activities include the production, distribution, import, and export of a wide range of products, including household electrical appliances, household items, latex rubber tubes, plastic products, hardware items, and molds. Besides, the Target Company has registered another business objective to provide the land and factory buildings leasing services. The company has a registered capital of 100,000,000 Baht. The official signatory structure includes one director with signature authorization, complemented by the company seal.

The Target Company would like us to issue a legal opinion for company compliance. Based on the background provided above, Target Company seeks our legal advice on legal implications for a specific legal opinion.

## 2. LIMITATION

This legal opinion is limited to the laws of Thailand as of the date of the opinion as currently applied by the courts of Thailand and is given on the basis that it will be governed by and construed in accordance with the laws of Thailand. We have made no investigation of, and do not express or imply any views on, the laws of any country other than Thailand.

For the purpose of this opinion, we have examined and solely relied on the relevant documents, information, agreements, and confirmations, which were provided and supplied to us.

### 3. ASSUMPTIONS

In giving the opinion hereunder, we have assumed (without making any investigation or inquiry) the following:

- (1) the authenticity of all signatures and seals and of any duty stamp or marking on all documents provided to us during the due diligence period by the Target Company ("**Reviewed Documents**");
- (2) the copy of the Reviewed Documents submitted to us for examination, is an accurate, complete and up-to-date copy, and no alteration, cancellation or revocation was made to it since a copy thereof was submitted to us, and the Reviewed Documents are available to use based on the need to know basis where the Target Company seems appropriate and views that they do not conflict to the trade secret thereof;
- (3) the completeness and conformity to originals of all documents submitted to us as copies or drafts or by facsimile or by email, and that all documents submitted to us are genuine and complete and have not been varied and are up-to-date and continue in full force and effect, and that all matters referred to expressly or impliedly in such documents are true, accurate and complete in all respects;
- (4) as at the date of this opinion, each of the Reviewed Documents is valid, binding and enforceable against all parties and all authorisations, approvals, and all corporate actions necessary for the relevant parties to execute and to exercise its rights and perform its obligations under the Reviewed Documents have been obtained, all securities required to be created thereunder is completely created and perfected, and all stamp duty required for each Reviewed Documents is already and duly affixed;
- (5) each of the parties to the Reviewed Documents is in existence and has the capacity, power and authority to enter into the Reviewed Documents (including any relevant documentation required to be signed thereunder) and to exercise its rights and perform its obligations thereunder;
- (6) there is no other provision of the laws of any jurisdiction outside Thailand, which would have any relevance to the Reviewed Documents or any implication for the opinions we express herein and, insofar as the laws of any jurisdiction outside Thailand may be relevant, such laws have been or will be complied with.
- (7) each party to the Reviewed Documents is duly incorporated and validly existing under the laws of the place of its incorporation and its place of business and has the power to carry on its business as provided in its Memorandum and Articles of Association or constitutional documents;
- (8) each party to the Reviewed Documents is capable of suing and being sued in its own name;
- (9) to enter into the Reviewed Documents, each party thereto does so in good faith and in furtherance of its substantive objects and for the legitimate purpose of carrying on its business, and at the time of entering into the Reviewed Documents, each director and officer of the party thereto has properly performed his or her duties (including but not limited to fiduciary duties to such party) and the directors and officers of each party thereto had acted in good faith and there were reasonable grounds for the respective directors and officers of such party to believe that the assumption and the performance by it of its obligations under the Reviewed Documents would be in the commercial interests and for the commercial benefit of such party and the execution and

performance of the Reviewed Documents by such party are in fact in the commercial interests and for the commercial benefit of such party, and none of the parties to the Reviewed Documents is on notice that such directors and officers are exercising or have exercised any power in respect thereof for any other purpose;

- (10) all factual statements, warranties and representations made or implied in the Reviewed Documents are complete, true, correct and accurate, and all opinions expressed therein are bona fide, reasonably and honestly held and were reached after due and careful consideration;
- (11) no power of attorney granted by the parties in connection with the Reviewed Documents has been revoked;
- (12) save as expressly opined on in the legal opinion, each party to the Reviewed Documents has obtained or will obtain at the appropriate time and will maintain in full force and effect all consents, waivers, approvals and authorisations required in connection with the execution and delivery of and performance of its obligations under the Reviewed Documents;
- (13) the execution, delivery and performance of the Reviewed Documents by each party thereto do not and will not contravene any provision or covenant of any negative pledge, agreement, undertaking or arrangement binding on such party (other than as contemplated in the Reviewed Documents);
- (14) each party to the Reviewed Documents is solvent and that:
  - a. each party was not insolvent at the time of entering into the Reviewed Documents and did not become insolvent as a consequence of entering into the Reviewed Documents;
  - b. no resolution to wind up such party or to appoint a liquidator, receiver, manager, trustee and/or judicial manager in respect of such party has been passed; and
  - c. no petition has been presented to or order made by any competent court for the winding up of such party or for the appointment of a liquidator, receiver, manager, trustee and/or judicial manager in respect of such party;
- (15) in any proceedings taken in any jurisdiction other than Thailand against any party to the Reviewed Documents, such party will not have or be entitled to claim for itself or any of its assets immunity from suit, judgment, execution, attachment or other legal processes;
- (16) all consents, approvals, permits, licenses, exemptions, waivers or orders required from and all filings or registrations with any governmental or regulatory body or agency outside Thailand and all stamping requirements outside Thailand in connection with the execution, delivery, performance, legality, validity and enforceability of the Reviewed Documents have been duly obtained or fulfilled and are in full force and effect;
- (17) neither party to the Reviewed Documents nor any of its assets enjoy any right of sovereignty or immunity from legal proceedings or the execution of judgment, attachment or otherwise;
- (18) no transaction in connection with or contemplated by the Reviewed Documents constitute a transaction at an undervalue or an unfair preference provisions transaction within the meaning of Sections 90/40, 90/41, 113-115 of the Bankruptcy Act of Thailand and Section 237 of the Civil and Commercial Code of Thailand (the "CCC");

- (19) none of the parties to the Reviewed Documents is, or will be, seeking to conduct any relevant transaction or any associated activity in a manner or for a purpose not evident on the face of the Reviewed Documents which might render any of the Reviewed Documents illegal, void or voidable or unenforceable;
- (20) there are no provisions of the laws of any jurisdiction outside Thailand which would have any implications on the opinions we express and, insofar as the laws of any jurisdiction outside Thailand may be relevant, such laws have been or will be complied with; and
- (21) any reference to the "date of this legal opinion" shall mean 9 June 2025, unless stated otherwise herein.

Making the above assumptions does not imply that we have made any investigation or inquiry to verify any assumption. No assumption specified above or any other part of this opinion is limited by reference to any other assumption.

#### 4. LEGAL OPINION

<b>DATE OF THE RECORD:</b>	26 February 2025
<b>NAME IN ENGLISH:</b>	X.J. ELECTRICS (THAILAND) CO., LTD.
<b>NAME IN THAI:</b>	บริษัท เอ็กซ์.เจ. อิเล็กทริก (ไทยแลนด์) จำกัด
1. <b>Registration No.</b>	0105567083733
<b>Registration Date:</b>	23 April 2024
2. <b>Tax Registration No.</b>	0105567083733
3. <b>Registered Share Capital:</b>	THB 100,000,000 (par value of THB 10 per share)
4. <b>Paid-up Share Capital:</b>	THB 25,000,000 (25%)
5. <b>Increase(s) in Share Capital:</b>	N/A
6. <b>Decrease(s) in Share Capital:</b>	N/A
7. <b>Registered Address:</b>	No. 7/103, Moo 4, Mab Yang Phon Sub-District, Pluak Daeng District, Rayong Province.
8. <b>Summary of the business activities:</b>	Under the business objectives of the Target Company submitted to the Department of Business Development ("DBD"), the business's main objectives include the production, distribution, import, and export of a wide range of products, including household electrical appliances, household items, latex rubber tubes, plastic products, hardware items, and molds. Besides, the target company also providing the land rental services along with factory buildings.

9.	Statutory Meeting held:		5 April 2024			
10.	Shareholders:		As of the date of this legal opinion, according to the statutory meeting for the incorporation at No. 65 Soi Paknam Krajomthong 39, Bang Phrom Subdistrict, Taling Chan District, Bangkok 10170 of the Target Company:			
No.	Shareholders	Nationality	No. of Shares	Class of Shares	% Hold	Paid-up Value (THB)
1.	X.J. GROUP (HK) LIMITED	Hong Kong	9,822,500	Ordinary	98.225%	24,556,250
2.	WEIGHMAX GROUP	United States of America	177,500	Ordinary	1.775%	443,750
	Total		10,000,000		100%	25,000,000
11.	Directors:		Directors are proposed and appointed by way of shareholders' meeting. (Art. 6)			
			No.	Directors	Nationality	
			1.	Mr. Guangshe Pan	American	
			2.	Ms. Ji Ying	Chinese	
			3.	Ms. Hu Yan	Chinese	
	Authorized Director(s):		Mr. Guangshe Pan signs together with the Target Company's seal affixed			
12.	Auditor:		N/A			
13.	Fiscal Year:		1st January – 31st December			
	Last Financial Statement Filing Date:		N/A			
14.	Quorum Requirements:		Directors' Meeting: Not less than half of the member of the board of directors present in person (Art. 8)			
			Shareholders' Meeting: At least 2 shareholders and 25% of the registered capital (Art. 15)			
15.	Voting Requirements:		Directors' Meeting: Majority, if the vote is equal, the Chairman shall have a casting vote (Section 1161 of the CCC)			
			Shareholders' Meeting: Majority, if the vote is equal, the Chairman shall have a casting vote (Art. 15)			
16.	Notice Period for Meetings:		Directors' Meeting: N/A			
			Shareholders' Meeting: 7-day notice or 14-day notice in case of a special resolution (Art. 12)			
17.	Recent Meeting(s):		Extraordinary General Meeting of Shareholders (“EGM”) No. 2/2024, dated 26 August 2024.			

***Regarding compliance of X.J. ELECTRICS (THAILAND) CO., LTD.***

Subject to the assumptions and qualifications herein, we are of the opinion as follows:

**I. BASIC INFORMATION OF THE TARGET COMPANY AND ITS LEGAL CAPACITY**

**1. Incorporation and approval**

**(1) Establishment of the Target Company**

We confirm that the Target Company has been duly established under Thailand's laws as a private limited liability, registered with the Office of Partnership and Company Registration of Central Division on 23 April 2024 with registration number 0105567083733 according to the statutory meeting of the Target Company dated 5 April 2024.

**(2) Existence of the Target Company**

The Target Company validly and legally exists under Thailand's laws.

**(3) Target Company to Own Its Property and Assets**

Target Company is considered as a foreigner under Section 4 of the Foreign Business Act, B.E. 2542 (1999) ("FBA") and Section 97 of the Land Code. The Land Code stipulates that foreigners may acquire land by virtue of the provisions of a treaty giving the right to own immovable property, subject to the provisions of the Land Code and, subject to the limitation on rights over land for religious purposes, foreigners may acquire land for residence, commerce, industry, agriculture, burial, public charity or religion under the conditions and procedures prescribed in ministerial regulations and with the permission of the minister. However, there are various circumstances allowing for foreign ownership over the land under the Petroleum Act, B.E. 2514 (1971), the Investment Promotion Act, B.E. 2520 (1977) ("BOI Act").

With reference to the Target Company, it has specific capacities as follows:

- The Target Company is not entitled to own the land unless it has obtained a Promotion Certificate ("**BOI Promotional Certificate**") from the Board of Investment ("**BOI**") or obtain the permission in the Industrial Estate under the Industrial Estate Authority of Thailand Act, B.E. 2522 (1979) ("**IEAT ACT**") with a privilege to own the land.
- The Target Company is entitled to own immovable properties because the Land Code does not prohibit a foreign company to own the buildings.
- The Target Company is entitled to own specific movable properties, as far as Thai laws do not restrict foreign entity to own such properties.

**(4) Target Capacity to Carry on Its Business**

The FBA prohibits and restricts foreigners from engaging in certain business activities in Thailand. The business activities that fall within the scope of the FBA are divided into three categories and listed in Lists One, Two and Three to the FBA.

Producing or manufacturing products for local or international distribution is not a forbidden activity and is not classified as wholesale or retail (unless it is a manufacturing business as specifically defined in Lists One, Two and Three). It is critical to note that the manufacturing of products excluded from the FBA should not include made-to-order products according to the design or format specified by the client, as this would be regarded a service under List Three (21), rather than product manufacturing.

Based on the review of the relevant provisions under the FBA, we confirm that the Target Company current business activities, specifically the production and manufacturing of products for local and international distribution, are not classified as prohibited or restricted activities under the applicable Thai laws. Target company operations do not involve the manufacturing of made-to-order products based on designs or formats specified by clients, which would otherwise be regarded as a service under List Three (21) of the FBA. Therefore, the Target Company activities remain compliant with the legal framework set forth in the FBA.

**(5) Target Company Capacity to Sue**

Target Company has the legal capacity to sue and be sued in its own name in Thailand under Section 68 of the CCC and the Civil Procedure Code of Thailand.

**(6) Approval for Offering in Hong Kong or the PRC**

There is no requirement of approval by any regulatory authority in Thailand in connection with the proposed offering of shares to the public by the holding companies of the Target Company or their parent company in Hong Kong or the PRC. Holding shares in a company incorporated under the laws of Thailand is not considered as conducting business under the FBA, and no such permission from the governmental authorities required.

**2. Registered Office**

- (7)** The registered office of the Target Company is at No. 7/103, Moo 4, Mab Yang Phon Sub-District, Pluak Daeng District, Rayong Province.

**3. Constitutive Documents**

- (8)** A Memorandum of Association (Articles of Incorporation) and Articles of Association (By-laws) are in compliance with and do not conflict with the laws and regulations of Thailand, and have been respectively duly approved by its statutory meeting and approved by and filed with DBD and are in full force and effect and binding upon the Target Company as follows:

**(i) Memorandum of Association**

The Memorandum of Association of the Target Company was made on 5 April 2024 and registered with the DBD on 23 April 2024, under the registered memorandum of association no. Bor. Kor. 0104567083163.

Based on the Reviewed Documents, the Target Company has amended Clause 2 (Office) of the MOA, according to the EGM No. 2/2024 dated 26 August 2024 to amend the registered office of the Target Company, originally from Bangkok Metropolis to Rayong Province, and registered with the DBD on 11 September 2024.

**(ii) Articles of Association**



The Articles of Association ("AOA") of the Target Company was resolved and approved by the Target Company's statutory meeting dated 5 April 2024 and registered with the DBD on 23 April 2024.

Based on the Reviewed Documents, the AOA of the Target Company is a standard AOA of the DBD, comprising of 20 articles.

#### 4. Principal Business of the Company

- (9) Based on the record registered with the DBD, the Target Company has 2 objectives in total. The main objectives of the Target Company, as indicated in the business objectives of the Target Company submitted to the DBD is to produce, distribute, import, and export of a wide range of products, including household electrical appliances, household items, latex rubber tubes, plastic products, hardware items, and molds. Also, the Target Company also providing the land rental services along with factory buildings. The Target Company possesses the capacity to carry on its business, as indicated in paragraph (4) above.

#### 5. Directors

- (10) The name of the authorised directors are as follows:

10.1 Mr. Guangshe Pan

10.2 Ms. Ji Ying

10.3 Ms. Hu Yan

According to the DBD Director Registration Form (Form Kor), all current directors are duly and validly appointed under the CCC.

- (11) The power of the authorised director is as follows:

Mr. Guangshe Pan signs together with the Target Company's seal affixed.

- (12) Board of Directors Meeting ("BOD")

At all meeting of the board of directors of the Target Company, a quorum shall consist of at least more than half of all directors.

Any resolution must be passed by the majority vote of the directors who attend and vote in the meeting. In the case of a tied vote, the Chairman of the Board of Directors shall be entitled to a casting vote.

Please note that under Thai laws, the Board of Directors must attend the meeting in person and proxy is not permissible for the Board of Directors' Meeting.

We have been not provided with the minutes of the BOD.

As precedented in the Supreme Court Case No. 1040/2561 (2018), the directors of the Target Company must hold the BOD to call for every Annual General Meeting ("AGM") and EGM.

Based on the registration records of the Target Company at the DBD, we have observed that the Target Company registered the amendment of the registered office and the amendment of Clause

2 of the MOA (Address) with the DBD on 11 September 2024, pursuant to the EGM No. 2/2024, dated 26 August 2024. In this instance, we note that the Target Company's directors shall hold the BOD in order to summon the aforesaid EGM.

We have been provided with the minutes of the BOD No.2/240 from the Target Company for summoning the aforesaid EGM. Therefore, we confirm that the Target Company has held the BODs in accordance with the CCC.

## 6. Shareholders

### (13) Details of All Shareholders

As of the date of this legal opinion, the shareholders of the Target Company are as follows:

No.	Shareholders	No. of Shares	Class of Shares	% Hold	Paid-Up Amount (THB)
1.	X.J. GROUP (HK) LIMITED	9,822,500	Ordinary	98.225%	24,556,250
2.	WEIGHMAX GROUP	177,500	Ordinary	1.775%	443,750
	Total	<u>10,000,000</u>		<u>100%</u>	<u>25,000,000</u>

Based on list of shareholders submitted with the DBD, we note that there was a historical change made to the shareholder structure which this structure set up at the Statutory Meeting Date as follows;

#### 1. Incorporation

Date: 5 April 2024

Shareholding structure: (1) X.J. GROUP (HK) LIMITED held 9,822,500 shares (98.225%), with 25% paid-up;

(2) Mr. Guangshe Pan held 106,500 shares (1.065%), with 25% paid-up

(3) Mr. Pan Yun held 71,000 shares (0.71%), with 25% paid-up.

No.	Shareholders	No. of Shares	Class of Shares	% Hold	Paid-Up Amount (THB)
1.	X.J. GROUP (HK) LIMITED	9,822,500	Ordinary	98.225%	24,556,250
2.	Mr. Guangshe Pan	106,500	Ordinary	1.065%	266,250
3.	Mr. Pan Yun	71,000	Ordinary	0.71%	177,500
	Total	<u>10,000,000</u>		<u>100%</u>	<u>25,000,000</u>

2. First shares transfer

Date: 25 July 2024 (derived from share registered book)

Shareholding structure: (1) X.J. GROUP (HK) LIMITED held 9,822,500 shares (98.225%), with 25% paid-up;

(2) WEIGHMAX GROUP held 177,500 shares (1.775%), with 25% paid-up; and

- Transferor 1: Mr. Guangshe Pan (who transfers 106,500 shares)
- Transferor 2: Mr. Pan Yun (who transfers 71,000 shares)
- Transferee: Weighmax Group (who receives the 106,500 shares from Mr. Guangshe Pan and the 71,000 shares from Mr. Pan Yun)

No.	Shareholders	No. of Shares	Class of Shares	% Hold	Paid-Up Amount (THB)
1.	X.J. GROUP (HK) LIMITED	9,822,500	Ordinary	98.225%	24,556,250
2.	WEIGHMAX GROUP	177,500	Ordinary	1.775%	443,750
	Total	<u>10,000,000</u>		<u>100%</u>	<u>25,000,000</u>

Under Section 1097 of the CCC, any two or more **natural persons** may, in accordance with the procedures and requirements as prescribed in the CCC, promote and form a limited company. Further, under Section 1110 of the CCC, every promoter must subscribe for at least one share. Therefore, at the beginning of the company incorporation, there must be at least two natural persons who hold the shares in the company. We are of the view that this registration of incorporation of the Target Company in relation to the share subscription is be fully in compliance with the CCC.

Additionally, a share transfer is legal and valid under the Thai Civil and Commercial Code (CCC) if it is made in writing and signed by both the transferor and transferee according to Section 1129 in the CCC, with the share certificate endorsed in the name of the transferee. The transfer becomes effective against the company and third parties once the transferee's name is entered in the company's share register book in relation to Section 1130 of the CCC. If the company's articles of association require it, any necessary approvals must be obtained. Base on the review documents, the above share transfers are valid and has been conducted in accordance with the relevant legal requirements.

Further, it is important to note that under Section 1237(4) of the CCC, a limited company may also be dissolved by the Court if the number of the shareholders is reduced to less than two persons. As a result, the Target Company shall at all times have at least two shareholders.

(14) Compliance in Relation to Shares

We are of the view that the list of shareholders has duly been registered with the DBD.

Based on the Reviewed Documents, we have been provided with the Target Company's share registered book and share certificates. Upon our review, we are of the opinion that the Target

Company's share registered book and share certificates would be in conformity with Section 1138 and Section 1128 of the CCC and other applicable laws in this regard.

**(15) Shareholders' Meeting**

Every company is required to hold the annual general meeting ("AGM") annually. The extra-general meeting ("EGM") shall be held upon being called by the directors<sup>1</sup> or one-fifth of the shareholders<sup>2</sup>.

Notice of every general meeting of shareholders shall be published at least once in a local paper and be sent to every shareholder of the company by receipt acknowledge registered mail at least seven (7) days before the date of meeting unless, in case of the general meeting which has to provide a special resolution, the notice shall be published in a local newspaper and be sent to every shareholder of the company at least fourteen (14) days before the date of the meeting.

Shareholders representing not less than 25% of the capital of the company must present at the shareholders' meeting to constitute a quorum. A resolution shall be made by a majority vote; in the case of a tied vote, the Chairman of the meeting shall be entitled to a casting vote.

According to the CCC, a supermajority votes of 75% of total shares is required for passing a special resolution as required by law, i.e. amendment to the memorandum of association and articles of association, increase or decrease of registered capital, dissolution, conversion to a public company and subscription shares by payment in kind.

As of the date of this legal opinion, based on the registration records of the Target Company with the DBD, we have observed that the Target Company has registered the amendment of the registered office and the amendment of Clause 2 of the MOA (Address) with the DBD on 11 September 2024, pursuant to the EGM No. 2/2024, dated 26 August 2024. We have been provided with the meeting minutes of the EGM No.2/2024, therefore, the Target Company has complied with the laws and regulations in this regard.

**7. Share capital**

**(16) Existing Share Capital of the Target Company**

The Target Company's registered capital is THB 100,000,000, divided into 10,000,000 ordinary shares, with a par value of THB 10 each. All issued shares are 25% paid-up, which is THB 25,000,000 in total. All shares of Target Company have been duly authorised and validly issued.

**(17) Encumbrances on Equity Interest in the Target Company**

Based on the Reviewed Documents and registration record from the DBD, there are no special rights, privilege warrants or options to acquire or instruments convertible into or exchangeable for any equity interest in the Target Company.

**(18) Validity of Shares of the Target Company**

---

<sup>1</sup> Director may summon the EGM whenever they think appropriate or when the Company suffers loss half of its capital in order to inform such loss to the shareholder under Section 1172 of the CCC.

<sup>2</sup> Under Section 1173 of the CCC.

All shares of Target Company have been duly authorised, validly issued and fully paid in accordance with CCC. Further, according to the database of the DBD, all shares are not subject to any pre-emptive or similar rights under the laws of Thailand or the constitutive documents.

**(19) Encumbrances on Target Company's Shares**

Upon our review on the Target Company's share registered book, we believe that the Target Company's shares would be clear of any existing encumbrances.

**II. SUBSIDIARIES OF THE TARGET COMPANY**

As of this legal opinion, the Target Company does not have any subsidiaries in Thailand.

**III. BUSINESS OPERATIONS**

**8. Regulatory**

**(20) All Regulatory Issues and Licenses**

**(1) Breach of Relevant Rules Imposed by Regulatory Authorities**

Based on the information provided by the Target Company and our independent research with the relevant regulatory authorities, including the DBD, BOI and DIP, we confirm that, to our best knowledge, the Target Company and any members or officers and employees of the Target Company have not breached any relevant rules or regulations imposed by any regulatory authorities. This confirmation of such information is based on publicly available data and enquiries made with public officials of the appropriate authorities.

**(2) Expiration and Revocation for Approval of Target Company's Business and Potentiality**

None of the Approvals required for the operations of Target Company has expired, been varied or been revoked, and to our best knowledge, the Target Company has not conducted or omitted to carry out any actions required by a regulatory body that would provide grounds for a regulatory body to seek cancellation, rectification or any other modification of any regulatory Approval in any jurisdiction in which any such Approval has been granted or sought.

**(3) Corporate Power and Authority**

The Target Company has the corporate power and corporate authority and all necessary government approvals or authorisations to own, license and use its properties and assets and conduct its business and operations.

**(4) Compliance with Requirement from Governmental Authority**

Based on Reviewed Documents, the Target Company complies with the provisions of all such governmental approvals and authorisations in all material aspects and, based on information provided by the Target Company and enquiries with the relevant regulatory authorities, including the DBD, BOI and DIP, and there is no reason to believe that any regulatory body is considering modifying, suspending or revoking any such governmental approvals and authorisations due to any act or omission of Target Company.

**(5) Compliance with All Relevant Laws**

Based on Reviewed Documents and enquiries with public officials of the relevant authorities, including the DBD, BOI and DIP, the Target Company is in material compliance with all applicable laws and regulations specific to the principal business of Target Company and, based on information provided by the Target Company; there is no reason to believe that any regulatory body is considering to initiate any action against Target Company for breach of any relevant laws or regulations.

## **9. Environmental Protection**

### **(1) Environmental Permits and Compliances**

Based on the business of the Target Company, there is no such environmental protection regulations or laws imposed on the operation of the business.

### **(2) Breaches of the Laws**

Based on the information provided by the Target Company and our verbal inquiries with the responsible official of the Department of Environment and Sanitation, Taling chan District office, the Target Company has not violated or has no possible violations of environmental protection regulations.

### **(3) Disputes on Environment**

Based on the information provided by the Target Company and our verbal inquiries with the responsible official of the Department of Environment and Sanitation, Taling chan District office, we have not detected any disputes of the laws on environmental protection or alike that the Target Company has potential against such matters.

## **IV. ASSETS**

### **10. Major assets**

#### **(1) Real Properties by the Target Company**

##### **a. Land**

As of the date of this legal opinion, the Target Company does not own any land.

However, the Target Company has entered into an Agreement to Purchase and Sell Land ("LSPA") with Amata City Rayong Company Limited (the Seller) on behalf of the Target Company on 31 August 2024, intend to purchase the land plot identified as AC566, covering an area of approximately 27.148 Rai, located in the Amata City Rayong Industrial Zone. A reservation deposit RMB 5,972,560 amounting to 20% of total land price has been made by X.J Group (HK) Ltd.

In accordance with the LSPA, the Target Company has made the first payment of THB 29,862,800 on 20 September 2024 and completed the second payment of THB 44,794,200 on 28 November 2024 to the Seller. In addition, the Seller has fully refunded the deposit of RMB 5,972,560 to X.J Group (HK) Ltd on 27 September 2024.

We foresee there will be no material obstacle for the Seller and Target Company to enter into the formal land purchase agreement.

**b. Building**

As of the date of this legal opinion, the Target Company does not own any buildings.

**(2) Validity and Enforceability of Land ownership**

There is no ownership of land as of the date of this legal opinion.

**(3) Compliance with Laws in Relation to Land/Property Use**

There is no ownership of land and building as of the date of this legal opinion.

**(4) Intellectual Properties**

We have not been provided with any documents related to the intellectual property of the Target Company. However, we have conducted intellectual property searches on the database of the Department of Intellectual Properties ("DIP") on 26 February 2025 and found no registration of patent, service marks or trademarks of Target Company with the DIP.

Therefore, as of the date of this legal opinion, there is no registered intellectual property belonging to the Target Company.

**(5) Infringement of Intellectual Properties**

Our independent research at the DIP and the Central Intellectual Property and International Trade Court does not reveal any results of Target Company's infringement on intellectual properties. Therefore, to our best knowledge, there is no notice of infringement of intellectual property right owned by any other person.

**V. MATERIAL CONTRACTS AND RELATED TRANSACTIONS**

**11. Insurance**

**(1) Insurance towards Target Company Operation**

The Target Company has not provided us with any insurance policies taken out by Target Company.

**(2) Insurance Required under Thai Laws**

Under the Thai laws, the Target Company does not have any liability to take out any insurance policy, as of the date of this legal opinion.

**12. Related Transactions**

Based on the Reviewed Documents and the Company's provided information, there is no related transaction of the Target Company as of the date of this legal opinion.

**VI. TAXATION AND GOVERNMENT SUBSIDY**

**13. Taxation Compliance and Government Subsidy**

**(1) Filing of Financial Statement, Annual Returns and Tax Return**

Based on the Reviewed Documents, as of the date of this legal opinion, there is no requirement for the Target Company to conduct the filing of the financial statement, annual returns, and tax return as of the date of this legal opinion. We are of the view that the Target Company would not have any penalty or fines whatsoever been imposed by DBD or Revenue Department.

**(2) Unpaid Regulatory Fees, Penalties and/or Fines**

As of the date of this legal opinion, there is neither unpaid regulatory fees, penalties and fines due and payable to the relevant tax authorities nor penalties or disputes relating to the Thai laws on taxation that has been imposed towards the Target Company.

**(3) Claims from Governmental Authority**

Based on the information provided by the Target Company and our verification based on publicly available data on any investigations, proceedings, enquiries, communications and, on enquiries made to public officials including the DBD, BOI and DIP, the Target Company has not received any letters or notices from any governmental authority, regulatory body indicating that such approvals are, will or may be void, nullified, revoked, cancelled, suspended, modified or not renewed for any reason, or that additional approvals are, will or may be needed or required to conduct its business.

**(4) The Offering**

There is no requirement for approval by any regulatory authority in Thailand in connection with the proposed offering of shares towards the public by the holding companies of the Target Company or their parent company in Hong Kong or the PRC. We further note that holding shares in any company incorporated under the laws of Thailand is not considered as conducting business under the FBA. In doing so, there is no such permission from the governmental authorities required.

**VII. PRODUCTION SAFETY**

**14. Product Safety Requirement**

**(1) Compliance with Product Safety Requirement**

Based on the information provided by the Target Company, there is no evidence to believe that the Target Company does not comply with all the safety requirement under the law of Thailand.

**(2) Pending or On-going Investigation, Disputes, or Administrative Proceeding**

Based on the information provided by the Target Company, we have not found any pending or ongoing investigation, disputes or administrative proceeding toward the Target Company.

**VIII. EMPLOYMENT AND SOCIAL SECURITY**

**15. The Employees**

**(1) Employment and Social Security**

We have been confirmed that as of the date of this legal opinion, the Target Company has no employee. Therefore, this issue is not of any legal concern.



**(2) Workplace Health and Safety**

Pursuant to the Ministerial Regulation Prescribing of Standard for Administration and Management of Occupational Safety, Health and Environment B.E. 2549 (2003), every company's office with 50 employees or more shall have the Board of Occupational Safety, Health and Environment Committee consisting of a certain number of members depending on the number of employees employed by each office and having a professional-level safety officer as a committee and secretary.

As of the date of this legal opinion, the Target Company had no employee. There would be no legal requirement of this laws concerned.

**(3) Workmen's Compensation Fund**

The Workmen's Compensation Fund was established under the Workmen's Compensation Act, B.E. 2537 (1994) ("WCA") to ensure that adequate compensation is paid when workers are injured, become ill, or die as a result of their work, or as a result of illnesses arising out of the nature or conditions of the work, or as the Department of the Interior may prescribe. This objective will be achieved by requiring employers to register with and contribute to the Workers' Compensation Fund and by having the Department of Labour Protection and Social Welfare pay the above compensation that employers are required to pay under the Occupational Safety and Health Act instead of employees. The contribution rate should be 0.2% - 1%.

As of the date of this legal opinion, the Target Company had no employees. There would be no legal requirement applicable in respect of WCA.

**(4) Work Rules**

Under section 108 of the Labour Protection Act, B.E. 2535 (1992) ("LPA"), the Target Company shall procure the work rules in Thai language upon the date the employer employed more than ten (10) employees and shall disclose such work rules at the working place of the employee. As from 4 April 2017, the work rules are not required to submit to the Labour Department in accordance with the Order of the Head of the National Council for Peace and Order No. 21/2017 dated 4 April 2017 Governing Amendment of Laws for Ease of Doing Business.

As of the date of this legal opinion, the Target Company had no employees. There would be no legal requirement applicable in respect of the Target Company's work rules.

**(5) Expatriates**

The Working of Foreigner Act, B.E. 2551 (2008) requires all foreigners obtain work permits for working in Thailand.

As of the date of this legal opinion, the Target Company had no employees. There would be no legal requirement applicable in respect of the Target Company's expatriates.

**(6) Welfare Committee**

Pursuant to Section 96 of the LPA, employer who has more than 50 employees shall have a Welfare Committee of at least 5 representatives of employees from election.

As of the date of this legal opinion, the Target Company had no employees. There would be no legal requirement applicable in respect of the welfare committee.

## IX. LITIGATION

### 16. Litigation

#### (1) Litigation

Our litigation searches today have been conducted against the following persons (collectively, "Searched Persons"):

- a. Target Company;
- b. Mr. Guangshe Pan
- c. Ms. Ji Ying
- d. Ms. Hu Yan

We conducted the litigation searches only at the specified courts and government office having jurisdiction over Searched Person's registered office (in case of corporate entities). Claims might have been brought by or against the Searched Person to the court outside details below, such as in the courts that the cause of action is within its jurisdiction or at the defendants' domicile. Our search was conducted based on the lists of cases in manual and computer records. The data collected may not be completed due to officers' errors or technology in updating data.

Our litigation searches reveal as follows:

- a. Rayong Provincial Court - A search at Rayong Provincial Court on 24 February 2025 did not reveal any case filed against the Searched Person.
- b. Rayong Municipal Court - A search at Rayong Municipal Court on 24 February 2025 did not reveal any case filed against the Searched Person.
- c. Central Tax Court - A search at the Central Tax Court on 24 February 2025 did not reveal any tax proceedings against the Searched Person.
- d. Central Labour Court - A search at Central Labour Court on 24 February 2025 did not reveal any case filed against the Searched Person.
- e. Central Bankruptcy Court - A search at the Central Bankruptcy Court on 24 February 2025 did not reveal any bankruptcy proceedings against the Searched Person. A bankruptcy case status may not be updated if it was a filing with other provincial courts.
- f. Central Intellectual Property and International Trade Court - A search at the Central Intellectual Property and International Trade Court on 24 February 2025 did not reveal any dispute of intellectual property and international trade proceedings against the Searched Person.

Our litigation search at the relevant court reveals no claims or potential claims to dispute or litigation between Target Company and other parties at the court. Further, from the Reviewed

Documents, we have not been provided with any notice of claim issued by the other party. We confirm that, as of the date of this legal opinion, there had been no disputes against the Target Company.

**(2) Arbitration**

Under the Arbitration procedure, the proceedings of the arbitration must be conducted confidentially. According to clause 22 (3) of the Regulations of the Office of the Courts of Justice Governing the Arbitration Procedure, the arbitration investigation and proceedings shall be conducted in secret. Only the parties and persons involved are eligible to be considered. Outsiders do not have the opportunity to know the facts directly. This is to protect the parties' reputation and the parties' business secrets, which is contrary to the court proceeding, whereby the court hearing must be open to the public.

Therefore, we are not in a capacity to search for whether there are any arbitration proceedings against the Searched Person.

However, based on the statement provided by the Target Company dated 26 February 2025, the Searched Person is not subject to any ongoing or potential arbitration proceedings.

**(3) Administrative Penalty**

According to the Reviewed Documents and inquiries with public officials of the appropriate authorities, including the DBD, BOI, and DIP, the Target Company had not been the subject of any administrative penalties as of the date of this legal opinion.

\*\*\*\*\*

This legal opinion is given for the sole benefit of Target Company. It may not be disclosed to any other person unless disclosure to any regulatory authorities or professional advisors of Target Company on a need to know basis, and such persons must be under a duty of confidentiality or as required by law, nor is it to be relied upon by any other person or for any other purpose, or quoted or referred to in any public document, without our prior written consent. The scope of this legal opinion is limited only to the issues presented herein.

We trust the above legal opinion addresses your concerns. Please do not hesitate to contact us if you require further clarification.

Yours faithfully,



DTL LAW OFFICE CO., LTD.

