This section primarily summarizes the principal PRC laws, rules, and regulations relevant to our business and operations.

REGULATIONS ON FOREIGN INVESTMENT

On March 15, 2019, the National People's Congress (全國人民代表大會) promulgated the Foreign Investment Law (《外商投資法》), which took effect on January 1, 2020. On December 26, 2019, the State Council (國務院) promulgated the Implementation Regulations on the Foreign Investment Law (《外商投資法實施條例》). Pursuant to the Foreign Investment Law, "foreign investments" refers to the investing activities within China directly or indirectly conducted by foreign natural persons, enterprises, and other organizations, including the following circumstances: (i) the establishment of a foreign-funded enterprise within China by a foreign investor alone or jointly with any other investor; (ii) a foreign investor's acquisition of any shares, equities, portion of property, or other similar interest in an enterprise within China; (iii) the investment in any new construction project within China by a foreign investor alone or jointly with any other investor; and (iv) investment in any other manner as specified by a law or administrative regulation or the State Council.

Pursuant to the Foreign Investment Law and its Implementation Regulations, China adopts a system of pre-entry national treatment plus negative list with respect to foreign investment administration. The negative list will be proposed by the competent investment department of the State Council in conjunction with the competent commerce department of the State Council and other relevant departments, and be reported to the State Council for promulgation, or be promulgated by the competent investment department or competent commerce department of the State Council after being reported to the State Council for approval.

Foreign investment beyond the negative list will be granted national treatment. Foreign investors cannot invest in the prohibited industries as specified in the negative list, while foreign investment must satisfy certain conditions stipulated in the negative list for investment in the restricted industries. The current industry entry clearance requirements governing investment activities in the PRC by foreign investors are set out in two categories, namely (i) the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Version) (《外商投資准入特別管理措施(負面清單) (2024年版)》), which was jointly promulgated by the Ministry of Commerce and the National Development and Reform Commission (中華人民共和國國家發展和改革委員會) and took effect on November 1, 2024, and (ii) the Encouraged Industry Catalogue for Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》), which was jointly promulgated by the Ministry of Commerce and the National Development and Reform Commission and took effect on January 1, 2023. Industries not listed in these two categories are generally deemed "permitted" for foreign investment unless otherwise restricted by other PRC laws. Our PRC subsidiaries conduct business operations that fall within the 'restricted' category pursuant to the first category mentioned above. We operate our CaoCao Mobility Platform which provides online ride hailing services through our Consolidated Affiliated Entities.

The Measures for Information Reporting on Foreign Investment (《外商投資信息報告辦法》) took effect on January 1, 2020. Pursuant to this regulation, foreign investors carrying out investment activities in China directly or indirectly must submit investment information to the commerce administrative authorities.

On December 19, 2020, the National Development and Reform Commission and the Ministry of Commerce jointly promulgated the Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》), effective on January 18, 2021, which sets forth the provisions concerning the security review mechanism on foreign investment, including, amongst others, the types of investments subject to review, review scopes and procedures.

Regulations on Value-Added Telecommunications Services

The Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) provides a regulatory framework for telecommunications service providers in the PRC. Pursuant to this regulation, telecommunications service is divided into basic telecommunications service and value-added telecommunications service, and telecommunications service providers need to obtain operating licenses before starting operations. According to the Classification Catalog of Telecommunications Business (2015 version) (《電信業務分類目錄(2015年版)》), which was amended on June 6, 2019, the internet information services we provide are classified as value-added telecommunications services.

The Administrative Measures on Internet Information Services (2024 Revision) (《互聯網信息服務管理辦法(2024修訂)》) classified internet information services into commercial internet information services and non-commercial internet information services, and a commercial internet information services provider must obtain a value-added telecommunications business operation license from the competent telecommunications authorities. According to this regulation, internet information service operators are obliged to monitor their websites. The PRC government may order the holders of the Value-added Telecommunications Business License (《增值電信業務經營許可證》) for internet information service that violates content restrictions to correct such violations and revoke their licenses.

On February 6, 2016, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (2016 Revision) (《外商投資電信企業管理規定(2016修訂)》), which provided that value-added telecommunications enterprises in the PRC with foreign investment must establish Sino-foreign joint ventures and the equity interest acquired by the foreign investors shall not exceed 50% of the shares of the enterprise. On March 29, 2022, the State Council issued the Decision to Amend and Abolish Certain Administrative Regulations (《國務院關於修改和廢止部分行政法規的決定》), which amended the above regulation. Pursuant to the amended regulation which took effect on May 1, 2022, the qualification requirements for major foreign investors to possess prior experience in, and a proven track record of good performance of, operating value-added telecommunication business set out in the original regulation was removed.

REGULATIONS ON ONLINE RIDE HAILING SERVICES

On July 26, 2016, the Guiding Opinions of the General Office of the State Council on Deepening Reform and Promoting the Sound Development of the Taxi Industry (《國務院辦公廳關於深化改革推進出租汽車行業健康發展的指導意見》) was promulgated and implemented by the General Office of the State Council (國務院辦公廳), and on July 27, 2016, Ministry of Transport (中華人民共和國交通運輸部) issued the Notice on the Implementation of Guiding Opinions of the General Office of the State Council on Deepening Reform and Promoting the Sound Development of the Taxi Industry (《關於貫徹落實<國務院辦公廳關於深化改革推進出租汽車行業健康發展的指導意見>的通知》). The above provisions are of great significance for guiding local governments to promote the reform of the taxi industry, improve the level of transportation services, standardize the development of online ride hailing in accordance with the law, and promote the sustained and sound development of the taxi industry.

Pursuant to Interim Measures for the Management of Online Ride Hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), which was promulgated on July 26, 2016, and amended on December 28, 2019, and November 30, 2022, the "online ride hailing platform companies" (網約車平台公司) refers to enterprise legal persons that construct network service platforms and engage in online ride hailing business operations and services. Any operator applying for engaging in online ride hailing business operations must be capable of providing online and offline services and meet the following conditions: (i) the operator has the enterprise legal person status; (ii) the operator has the internet platform for engaging in online ride hailing business operations and the capabilities of information data interaction and processing adapting to business to be launched, meets the conditions where the relevant regulatory departments of transport, communication, public security, taxation, and cyberspace administration can legally take and consult the relevant network data and information, has the network service platform database that is connected to the supervisory platform of the competent administrative department of taxis, with the server set in the Chinese mainland, and has the network security management system and technical measures for security protection complying with the prescribed provisions; (iii) where the operator uses electronic payment, it must conclude an agreement on providing payment and settlement services with a bank or a non-bank payment institution; (iv) the operator has sound business operation management system, work safety management system, and service quality guarantee system; and (v) the operator has corresponding service agencies and service capabilities at the place of services. Where a foreign merchant invests in online ride hailing business operations, besides meeting the aforesaid conditions, it must also comply with the provisions of the relevant laws and regulations on foreign investment.

When a company engages in the provision of online ride hailing services for the first time, it shall file an application to the relevant taxi administrative authority where the entity is registered. The application materials related to online service capabilities will be reviewed and approved by the provincial transportation authority where the corporate entity is registered, in collaboration with the corresponding departments of communications, public security, taxation, cyber administration and the Bank of China. Upon approval, the company will obtain an online

service capability certification (the "**Service Capability Recognition**"), which is valid nationwide. For a company seeking to operate the online ride hailing service outside of its place of registration, it shall present the Service Capability Recognition to the competent taxi administrative authority for review. Additionally, the authority will review other application materials pertaining to the company's offline service provision capabilities.

According to the Interim Measures for the Management of Online Ride Hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), an online ride hailing platform company may not engage in the relevant business until it obtains the corresponding Platform Permit and applies for the internet information service recordation to the competent department of communication at the provincial level at its place of registry. An online ride hailing platform company engaging in online ride hailing business operations directly or in any disguised form without the Platform Permit will be fined not less than RMB10,000 but not more than RMB30,000. Where the vehicle engaging in services fails to obtain an Online Ride Hailing Transport Permit (《網絡預約出租汽車運輸證》) or the driver providing services does not obtain the Online Ride Hailing Driver's License (《網絡預約出租汽車駕駛員證》), the competent administrative department will order the online ride hailing platform company to make corrections and impose a fine of not less than RMB5,000 but not more than RMB10,000 for each illegal act. If the circumstances are severe, the online ride hailing platform company will be imposed a fine of not less than RMB10,000 but not more than RMB30,000. Where an online ride hailing platform company no longer has the online and offline service capabilities or commits serious breach, the competent administrative department will, in accordance with the provisions of the relevant laws and regulations, order it to cease business operations for rectification and revoke its corresponding license. However, what constitutes "serious breach" is not specified under the interim measures.

On February 7, 2022, the General Office of the Ministry of Transport, the General Office of the Ministry of Industry and Information Technology, the General Office of the Ministry of Public Security (中華人民共和國公安部), and other departments, promulgated the Notice on Strengthening the Joint Supervision of the Whole Chain and Process for the Online Ride Hailing Industry (《關於加強網絡預約出租汽車行業事前事中事後全鏈條聯合監管有關工作的通知》) to strengthen the ex-ante, interim, and ex-post joint supervision of the ride hailing industry, maintain fair competition order in the market, protect the legitimate rights and interests of passengers and drivers, promote standardized, healthy, and sustainable development of the ride hailing industry, and better meet people's travel needs.

According to the Measures for the Administration of the Operation of Regulatory Information Interactive Platforms for Online Ride Hailing (《網絡預約出租汽車監管信息交互平台運行管理辦法》), which was promulgated on May 24, 2022, and implemented from July 1, 2022, after obtaining a corresponding Online Ride Hailing Business Permit (《網絡預約出租汽車經營許可證》), an online ride hailing platform company must transmit the basic static data including online ride hailing platform company, vehicle, and driver as well as the dynamic data including order information, business information, location information, and service quality information to the industrial platform in time.

Regulations on Managing the Number of Vehicles Engaging in Online Ride Hailing Services

According to the Guiding Opinions of the General Office of the State Council on Deepening Reform and Promoting the Sound Development of the Taxi Industry (《國務院辦公廳關於深化改革推進出租汽車行業健康發展的指導意見》), local governments and competent taxi administrative departments shall consider factors such as population size, economic development level, urban traffic congestion, and the utilization rate of taxi mileage to regulate the scale of taxi capacity and its proportion within the urban integrated transportation system, establish a dynamic monitoring and adjustment mechanism, and gradually achieve market regulation.

Pursuant to the Interim Measures for the Management of Online Ride Hailing Operation and Service (《網絡預約出租汽車經營服務管理暫行辦法》), competent taxi administrative departments shall strengthen the market supervision on online ride hailing operation and strengthen the qualification review and permission issuance and management in relation to online ride hailing platform, drivers and vehicles. Local governments are authorized to promulgate implementation rules for the issuance of the Online Ride Hailing Transport Permit, thereby controlling the number of vehicles engaging online ride hailing services.

In practice, to manage the number of vehicles engaging in online ride hailing services, local governments have taken measures including suspending the acceptance process of application for the Online Ride Hailing Transport Permit in cities like Jinan and Sanya limiting the total number of online ride hailing vehicles to a certain percentage of the total number of taxi fleet in cities like Longhui; allocating allowances for the application of Online Ride Hailing Transport Permit via public lottery in cities like Harbin and Dalian; and maintaining a fixed number of Transport Permits and only issuing Transport Permits when existing vehicles deregister their Transport Permits, as seen in cities like Shenzhen and Xichang. Additionally, some local governments further require that an online ride hailing platform can only apply for Transport Permit for the vehicles registered under its own name.

To comply with the above measures, in restricted cities, online ride hailing platforms will replace their used vehicles with new ones, freeing up Transport Permits from the used vehicles for new ones to apply. They may also apply for Transport Permits for their new vehicles, but the approval of such applications is at the discretion of the competent taxi administrative department.

REGULATIONS RELATING TO AUTONOMOUS DRIVING VEHICLES

On December 20, 2020, the Ministry of Transport (中華人民共和國交通運輸部) issued the Guiding Opinions on Promoting the Development and Application of Road Transport Autonomous Driving Technologies (《交通運輸部關於促進道路交通自動駕駛技術發展和應用的指導意見》), which established a comprehensive roadmap for the advancement of autonomous driving technologies. It emphasized that by 2025, substantial progress should be made in the basic theoretical research of autonomous driving, with breakthroughs in the

development, testing, and verification of key technologies and products, such as intelligent road infrastructure and vehicle-road coordination systems. A series of fundamental and crucial standards in the field of autonomous driving should be introduced. Moreover, a number of national-level autonomous driving testing bases and leading application demonstration projects should be established. Additionally, large-scale applications in specific scenarios should be realized to promote the industrialization and implementation of autonomous driving technologies.

As one of the most significant standards providing preliminary regulatory frameworks for road testing and demonstration applications of intelligent connected vehicles, the Norms on Administration of Road Testing and Demonstrative Application of Autonomous Driving Vehicles (for Trial Implementation) (《智能網聯汽車道路測試與示範應用管理規範(試行)》) (the "Road Testing and Demonstrative Application Norms") were jointly promulgated by the Ministry of Industry and Information Technology (中華人民共和國工業和信息化部), the Ministry of Public Security (中華人民共和國公安部), and the Ministry of Transport (中華人民共和國交通運輸部) on July 27, 2021, and effective on September 1, 2021. According to the Road Testing and Demonstrative Application Norms, road testing refers to activities conducted to evaluate the self-driving functions of autonomous vehicles on designated sections of highways (including expressways), urban roads, regional roads, and other public motor vehicle routes. Demonstrative application, on the other hand, is defined as the operation of autonomous vehicles to transport passengers or cargo on designated sections of highways (including expressways), urban roads, regional roads, and other public motor vehicle routes, aiming to achieve pilot or trial implementation results. Entities seeking to conduct road testing or demonstrative applications of autonomous vehicles must submit applications to the competent authorities responsible for industry and information technology, public security, and transport.

In November 2023, the Ministry of Industry and Information Technology (中華人民共和國工業和信息化部), the Ministry of Public Security (中華人民共和國公安部), the Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部) and the Ministry of Transport (中華人民共和國交通運輸部) jointly issued the Notice of Implementing the Pilot Program of Access and On-road Traffic of Intelligent Connected Vehicles (《工業和信息化部、公安部、住房和城鄉建設部、交通運輸部關於開展智能網聯汽車准入和上路通行試點工作的通知》), marking a significant step forward in the regulation of L3-L4 autonomous driving. In accordance with this notice, by leveraging the groundwork laid by previous road tests and demonstration applications of intelligent connected vehicles, the regulatory authorities will select and screen intelligent connected vehicle products equipped with L3 or L4 autonomous driving capabilities that meet the mass—production conditions to carry out access pilot programs. For intelligent connected vehicle products that have obtained access approval, pilot road tests will be conducted within designated areas. As required by this notice, the pilot entities for trial use engaged in transportation operations shall possess corresponding operational qualifications for the relevant business categories and comply with certain detailed requirements.

Certain local governments have issued implementation rules to further facilitate the testing and application of autonomous driving vehicles. For example, in Suzhou, the Implementation Rules for the Administration of Road Testing and Demonstration Applications of Intelligent and Connected Vehicles in Suzhou (for Trial Implementation) (《蘇州市智能網聯汽車道路測試與示範應用管理實施細則(試行)》), issued on June 30, 2022, provides more detailed and specific regulations regarding the requirements for conducting road testing and demonstration applications of intelligent and connected vehicles within the administrative region of Suzhou. The Regulations on Promoting the Testing and Application of Intelligent Connected Vehicles in Hangzhou (《杭州市智能網聯車輛測試與應用促進條例》), effective from May 1, 2024, allow intelligent connected vehicles with temporary driving license plates or vehicle identification signs to be used for road testing or innovative applications within specified areas, road sections, and time periods.

REGULATIONS ON CYBERSECURITY, DATA SECURITY, AND PRIVACY PROTECTION

On December 16, 1997, the Ministry of Public Security issued Administrative Measures for the Security Protection of the International Networking of Computer Information Networks (《計算機信息網絡國際聯網安全保護管理辦法》), which was last amended and effective from January 8, 2011, according to which, the agency of computer administration and supervision under the Ministry of Public Security will be in charge of the work of security protection administration of the international networking of computer information networks. It is forbidden to use the international networking to divulge state secrets, endanger state security and engage in illegal criminal activities.

On December 28, 2000, the Standing Committee of the National People's Congress issued the Decision on the Maintenance of Internet Security (《全國人民代表大會常務委員會關於維護互聯網安全的決定》), which was last amended and effective from August 27, 2009, specifying that certain types of activities conducted through the internet are subject to criminal liabilities.

On July 1, 2015, the Standing Committee of the National People's Congress issued the PRC National Security Law (《中華人民共和國國家安全法》), which took effect on the same day. The PRC National Security Law provides that the state will safeguard the sovereignty, security and cybersecurity development interests of the state.

On November 7, 2016, the Standing Committee of the National People's Congress promulgated the PRC Cybersecurity Law (《中華人民共和國網絡安全法》), which took effect on June 1, 2017. According to the PRC Cybersecurity Law, network constructors, network operators, and service providers that provide services via networks are obligated to take technical and other necessary measures to ensure the security and stable operation of networks, maintain the integrity, confidentiality and availability of network data, and furthermore provide technical assistance and support in accordance with the law for public security and national security authorities to protect national security or assist with criminal investigations. In addition, the PRC Cybersecurity Law provides that personal information and important data

collected and generated by critical information infrastructure operators in the course of their operations in the PRC should be stored in the PRC, and the law imposes heightened regulation and additional security obligations on critical information infrastructure operators.

On November 28, 2019, the Secretary Bureau of the Cyberspace Affairs Commission (國家互聯網信息辦公室秘書局), the General Office of the Ministry of Industry and Information Technology (工業和信息化部辦公廳), the General Office of the Ministry of Public Security (公安部辦公廳), and the General Office of the State Administration for Market Regulation (市場監管總局辦公廳) jointly issued the Notice on the Measures for Determining the Illegal Collection and Use of Personal Information through Mobile Apps (《關於印發<App違法違規收集使用個人信息行為認定方法>的通知》), which elaborates the forms of behavior constituting illegal collection and use of the personal information through apps.

On June 10, 2021, the Standing Committee of the National People's Congress promulgated the PRC Data Security Law (《中華人民共和國數據安全法》), which took effect on September 1, 2021. The PRC Data Security Law provides for data security obligations on entities and individuals carrying out data processing activities, introduces a data categorization and classification protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used, provides for a national security review procedure for those data activities which may affect national security, and imposes export restrictions on certain data and information. The PRC Data Security Law provides that "data" refers to any recording of information by electronic or other means. Data processing includes the collection, storage, use, processing, transmission, availability and disclosure of data, etc.

On July 30, 2021, the State Council promulgated the Provisions on Protection of Critical Information Infrastructure Security (《關鍵信息基礎設施安全保護條例》), which took effect on September 1, 2021, and provides that "critical information infrastructures" refers to important network facilities and information systems involved in important industries and fields such as public communication and information services, energy, transportation, water conservancy, finance, public services, e-government, national defense related science and technology industry, as well as those which may seriously endanger national security, national economy and citizen's livelihood and public interests if damaged, malfunctioned, or if leakage of data relating thereto occurs. Pursuant to these provisions, the relevant government authorities are responsible for formulating the rules on identifying critical information infrastructures and organizing to identify such critical information infrastructures in the related industries and fields, taking into account the factors set forth in the provisions and shall notify the operators identified as critical information infrastructures operators. However, as the government authorities may further formulate detailed rules or explanations with respect to the interpretation and implementation of such provisions, including the rules on identifying critical information infrastructures in different industries and fields, it remains unclear whether we or other operators we provide network products and services to may be identified as critical information infrastructures operators.

On August 20, 2021, the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》) was passed by the Standing Committee of the National People's Congress and took effect on November 1, 2021. As the first systematic and comprehensive law promulgated specifically for the protection of personal information in the PRC, the PRC Personal Information Protection Law provides, among others, that (i) an individual's separate consent must be obtained before operation of such individual's sensitive personal information, e.g. biometric characteristics and individual location tracking; (ii) personal information handlers processing sensitive personal information must notify individuals of the necessity of such operations and the influence on the individuals' rights; and (iii) if personal information handlers reject individuals' requests to exercise their rights, individuals may file a lawsuit with a People's Court.

The Administrative Provisions on Security Vulnerability of Network Products (《網絡產品安全漏洞管理規定》) were jointly promulgated by the Ministry of Industry and Information Technology, the Cyberspace Affairs Commission (國家互聯網信息辦公室) (the "CAC"), and the Ministry of Public Security on July 12, 2021, and took effect on September 1, 2021. Network product providers, network operators as well as organizations or individuals engaging in the discovery, collection, release and other activities of network product security vulnerability are subject to the Administrative Provisions on Security Vulnerability of Network Products and must establish channels to receive information of security vulnerability of their respective network products and must examine and fix such security vulnerability in a timely manner.

On December 31, 2021, the CAC, the Ministry of Industry and Information Technology, the Ministry of Public Security, the State Administration for Market Regulation jointly promulgated the Administrative Provisions on Internet Information Service Algorithm-Based Recommendation (《互聯網信息服務算法推薦管理規定》), which took effect on March 1, 2022. The Administrative Provisions on Internet Information Service Algorithm-Based Recommendation implements categorization and classification management for algorithmic recommendation service providers based on various criteria. Moreover, it requires algorithmic recommendation service providers to provide users with options that are not specific to their personal characteristics, or provide users with convenient options to cancel algorithmic recommendation services. If the users choose to cancel the algorithmic recommendation service, the algorithmic recommendation service provider must immediately stop providing relevant services. Algorithmic recommendation service providers must also provide users with the function to select or delete user labels that are based on personal characteristics and used for algorithmic recommendation services.

The Several Provisions on Safety Management of Automobile Data (Trial Implementation) (《汽車數據安全管理若干規定(試行)》) issued by the CAC, the NDRC, the Ministry of Industry and Information Technology, the Ministry of Public Security and the Ministry of Transport, on August 16, 2021, and implemented on October 1, 2021, provides for domestic automobile data processing activities and safety supervision. Important data means the data that may endanger national security, public interests, or the lawful rights and interests of individuals or organizations once it has been tampered with, destroyed, leaked, or illegally

obtained or used, including: (i) geographical information, personnel flow, vehicle flow, and other data of important sensitive areas such as military management zones, national defense science and industry entities, and Party and government offices at or above the county level; (ii) data reflecting economic operations such as vehicle flow and logistics; (iii) operating data of vehicle charging networks; (iv) video and image data outside vehicles, including face information, and license plate information, among others; and (v) personal information involving more than 100,000 personal information subjects, etc.

On December 28, 2021, the CAC along with several other administrative departments issued the Revised Measures for Internet Security Review (《網絡安全審查辦法》), which took effect on February 15, 2022, and replaced the Measures for Internet Security Review promulgated on April 13, 2020. This regulation provides that a critical information infrastructure operator purchasing network products and services, and platform operators carrying out data processing activities, which affect or may affect national security, must apply for cybersecurity review and that a platform operator with more than one million users' personal information aiming to [**REDACTED**] abroad must apply for cybersecurity review. As a network operator defined under the Cybersecurity Law of PRC, we are not required to initiate the application for cybersecurity review due to the proposed [**REDACTED**], based on the facts that, during the Track Record Period and as of the Latest Practicable Date, (i) we have not received any inquiry, notice, warning, or sanctions regarding cybersecurity review; and (ii) we had conducted a real-name telephone consultation and communication with the China Cybersecurity Review Technology and Certification Center on December 19, 2022, for further confirmation, while the authority did not raise any objection to the proposed [**REDACTED**] in Hong Kong, nor did the authority give any specific instructions requiring, directly or indirectly, us to apply for cybersecurity review for the proposed [**REDACTED**], and it also confirmed that a [**REDACTED**] in Hong Kong does not fall within the scope of the term of "[**REDACTED**] abroad" under Article 7 of the Revised Measures. Our PRC Legal Advisor is of the view that, as of the Latest Practicable Date, we have no mandatory legal obligations to take the initiative to apply for cybersecurity review for the proposed [**REDACTED**].

On July 7, 2022, the CAC issued the Measures for the Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》), which took effect on September 1, 2022. It provides detailed supporting regulations for data processors to comply with security assessment of providing overseas important data and personal information collected and generated in domestic operations. During the Track Record Period and as of the Latest Practicable Date, our daily business operations did not involve any obligation to perform security assessments of cross-border data transfers. On March 22, 2024, the CAC issued Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), which provided that data handlers shall identify and declare important data in accordance with relevant rules. In accordance with these provisions, data handlers who provide data abroad, and meet any of the following conditions, are required to declare the outbound data transfer security assessment to the national cyberspace administration authority through the provincial-level cyberspace administration authority where the data handlers are located: (i) critical information infrastructure operators providing personal information or important data abroad; and (ii) data handlers other than critical information infrastructure operator

providing important data abroad or cumulatively providing abroad personal information without any sensitive personal information of more than one million individuals or sensitive personal information of more than 10,000 individuals since January 1 of the current year. The assessment results of the data export are valid for three years.

On December 8, 2022, the Ministry of Industry and Information Technology issued the Measures for Data Security Administration in the Industry and Information Technology Field (Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》), which took effect on January 1, 2023. Data handlers in the field of industry and information technology are under obligations regarding the implementation of data security work systems, administration of cryptography management, data collection, data storage, data usage, data transmission, provision of data, publicity of data, data destruction, safety audit and emergency plans, etc.

REGULATION OF USER FUNDS ADMINISTRATION

On May 9, 2019, the MOT, the People's Bank of China, the NDRC, the Ministry of Public Security, the State Administration for Market Regulation, and Banking and Insurance Regulatory Commission of the PRC (中國銀行保險監督管理委員會), jointly issued the Measures for the Administration of User Funds in New Forms of Transport Business (Trial) (《交通運輸新業態用戶資金管理辦法(試行)》) which took effect on June 1, 2019, and were amended on June 23, 2022. According to this regulation, the "new forms of transport business" (交通運輸新業態) means the operation of service platforms established based on information technology, such as the internet, to integrate supply and demand information and engage in transport services by innovating service models, technology and management, including online reservations for taxis, timeshare leasing of automobiles and internet leasehold bicycles. An operating enterprise engaging in new forms of transport business must separately open a special deposit account for user deposits and a special deposit account for prepayments, respectively, as are nationwide unique at the bank in the place of its registration in mainland China, and the banks that open special deposit accounts will serve as depository banks to deposit user funds. A user deposit must belong to the user, and the operating enterprise may not misappropriate it. An operating enterprise may use user prepayments only for its main business related to serving users, but not for real property, equity, securities, bonds or other investments or lending. Moreover, the entity must establish an allowance system for user prepayments with the allowance being not less than 40% of the balance of user prepayments.

REGULATIONS ON ANTI-MONOPOLY

The PRC Anti-monopoly Law (《中華人民共和國反壟斷法》), which took effect on August 1, 2008, and was amended on June 24, 2022, and then took effect on August 1, 2022, prohibits monopolistic conduct such as entering into monopoly agreements, abuse of dominant market position and concentration of undertakings that have the effect of eliminating or restricting competition. An undertaking with a dominant market position are prohibited from engaging in acts that abuse their dominant market position, including, but not limited to: (i) selling commodities at unfairly high prices or purchasing commodities at unfairly low prices; (ii) selling commodities at prices below cost without any justifiable cause; (iii) refusing to deal

with the other transactional parties without any justifiable cause; (iv) restricting the other transactional parties so that they may only deal with the undertaking or with undertakings designated by it without any justifiable cause; (v) tying the sale of commodities without any justifiable cause or imposing any other unreasonable trading condition at the time of transaction; and (vi) applying differential treatments in terms of transaction prices and other transaction conditions to the other transactional parties on an equal footing without any justifiable causes. An undertaking with a dominant market position cannot engage in any conduct of abusing a dominant market position specified above by utilizing data and algorithm, technology, and platform rules, among others.

On March 10, 2023, the State Administration for Market Regulation promulgated the Provisions on Prohibition of Abuse of Market Dominance (《禁止濫用市場支配地位行為規定》) to further prevent and prohibit the abuse of dominant market positions, Provisions on Prohibition of Monopoly Agreements (《禁止壟斷協議規定》) to prohibit the application of monopoly agreements, and Provisions on the Review of Concentrations of Undertakings (《經營者集中審查規定》) to regulate the anti-monopoly review of concentrations of undertakings.

The Anti-monopoly Commission of the State Council promulgated the Guideline on Anti-Monopoly of Platform Economy Sector (《關於平台經濟領域的反壟斷指南》) on February 7, 2021, aiming to improve anti-monopoly administration on online platforms. According to this regulation, internet platform means the business organization form through which interdependent bilateral and multilateral entities interact under the rules provided by specific carriers through network information technology to jointly create value. Anti-monopoly law enforcement institutions must insist on the following principles when conducting anti-monopoly regulation in the field of platform economy: protecting fair market competition, conducting scientific and efficient regulation according to the law, stimulating innovation and creativity, and safeguarding the legitimate interests of market participants.

REGULATIONS ON MERGERS AND ACQUISITIONS AND OVERSEAS LISTINGS

On August 8, 2006, six PRC regulatory agencies including the Ministry of Commerce and the CSRC, adopted the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》), which took effect on September 8, 2006, and were amended on June 22, 2009. Pursuant to this regulation, the approval of the Ministry of Commerce must be obtained if overseas companies established or controlled by PRC enterprises or residents acquire domestic companies affiliated with such PRC enterprises or residents. In addition, this regulation requires offshore special purpose vehicles formed for overseas listing purposes through acquisitions of PRC domestic companies and controlled by PRC enterprises or residents to obtain the approval of the CSRC prior to publicly listing their securities on an overseas stock exchange.

In addition, the Provisions of the Ministry of Commerce on the Implementation of the Safety Review System for Merger and Acquisition of Domestic Enterprises by Foreign Investors (《商務部實施外國投資者併購境內企業安全審查制度的規定》) issued by the Ministry of Commerce that took effect in September 2011 specify that mergers and acquisitions

by foreign investors that raise "national defense and security" concerns and mergers and acquisitions through which foreign investors may acquire de facto control over domestic enterprises that raise "national security" concerns are subject to strict review by the Ministry of Commerce, and the rules prohibit any activities attempting to bypass a security review, including by structuring the transaction through a proxy or contractual control arrangement.

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of 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》), and the relevant five guidelines, which took effect on March 31, 2023. This regulation comprehensively improves and reforms the existing regulatory regime for overseas securities offering and listing activities by PRC domestic companies and regulate both direct and indirect overseas securities offering and listing activities by PRC domestic companies by adopting a filing-based regulatory regime.

Pursuant to this regulation, 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 regulation provides that an overseas securities offering and listing is explicitly prohibited, if any of the following exists: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended overseas 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.

This regulation also provides that if the issuer meets both 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. The determination of the indirect overseas offering by PRC domestic companies shall follow the principle of substance over form. Where an issuer submits an application for initial public offering to competent overseas regulators, such issuer or its major domestic operating entity must file with the CSRC

within three business days after such application is submitted. The regulation 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 24, 2023, the CSRC, together with other PRC government authorities, released the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), which took effect on March 31, 2023. This regulation requires, among others, that PRC domestic enterprises seeking to offer and list securities in overseas markets, either directly or indirectly, shall establish the confidentiality and archives system, and shall complete approval and filing procedures with competent authorities, if such PRC domestic enterprises or their overseas listing entities provide or publicly disclose documents or materials involving state secrets and work secrets of PRC government agencies to relevant securities companies, securities service institutions, overseas regulatory agencies and other entities and individuals. It further stipulates that providing or publicly disclosing documents and materials, which may adversely affect national security or public interests, and accounting files or copies of important preservation value to the state and society shall be subject to corresponding procedures in accordance with relevant laws and regulations.

REGULATIONS ON FOREIGN EXCHANGE

Regulation on Foreign Currency Exchange

The core regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》), as amended in August 2008. Certain organizations in the PRC, including foreign invested enterprises, may purchase, sell, and/or remit foreign currencies at certain banks authorized to conduct foreign exchange business upon providing valid commercial documents. However, approval of the PRC State Administration of Foreign Exchange (國家外匯管理局) is required for capital account transactions.

The State Administration of Foreign Exchange issued the Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《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》) on June 9, 2016, which provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds, and remitted foreign listing proceeds, and the corresponding Renminbi obtained from foreign exchange settlement are not restricted from extending loans to related parties or repaying the inter-company loans (including advances by third parties).

On January 26, 2017, the State Administration of Foreign Exchange promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimising Genuineness and Compliance Verification (《國家外匯管理局關於進一步推進外匯管理改革完

善真實合規性審核的通知》), which relaxed the policy restriction on foreign exchange inflow to further enhance trade and investment facilitation and tightened genuineness and compliance verification of cross-border transactions and cross-border capital flow.

On October 23, 2019, the State Administration of Foreign Exchange promulgated the Notice of the SAFE on Further Promoting the Facilitation of Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》), pursuant to which non-investment foreign-invested enterprises will be allowed to use capital funds for domestic equity investment in accordance with the law under the premise of not violating the Negative List and the authenticity and compliance of their domestic invested projects.

On April 10, 2020, the State Administration of Foreign Exchange promulgated the Circular on Optimising Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), which was further supplemented by the Notice of Further Deepening the Reform to Facilitate Cross-border Trade and Investment (《關於進一步深化改革促進跨境貿易投資便利化的通知》), pursuant to which eligible enterprises are allowed to make domestic payments by using their capital funds, foreign loans and the income under capital accounts of overseas listing, without providing the evidentiary materials concerning authenticity of each expenditure, provided that their capital use must be authentic and in line with provisions, and conform to the prevailing administrative regulations on the use of income under capital accounts.

Regulations on Foreign Exchange Registration of Overseas Investment by PRC Residents

The SAFE issued the Circular Concerning Relevant Issues on the Foreign Exchange Administration of Offshore Investing and Financing and Round-Trip Investing by Domestic Residents through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) on July 4, 2014. On the same day, the State Administration of Foreign Exchange has issued the Operation Guidance for the Issues Concerning Foreign Exchange Administration over Round-trip Investment with respect to the procedures for registration under the circular, which took effect on July 4, 2014, as an attachment to the circular.

The State Administration of Foreign Exchange promulgated the Notice on Simplifying and Improving the Foreign Currency Management Policy on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) on February 13, 2015, and effective from June 1, 2015, which cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment. In addition, investors must register with banks to have the registration of foreign exchange under the condition of direct domestic investment and direct overseas investment, which simplifies the procedure of registration of foreign exchange.

REGULATION ON INTELLECTUAL PROPERTY

Regulations on Copyright and Software Products

Copyright (including software copyright) is mainly protected by the Copyright Law of the PRC (《中華人民共和國著作權法》) as promulgated on September 7, 1990, and latest amended on November 11, 2020, by the Standing Committee of the National People's Congress and the Implementing Rules of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) as promulgated on August 2, 2002, and latest amended on January 30, 2013, by the State Council. Such law and rules prescribe that Chinese citizens, legal persons, or other organizations enjoy copyright protection over their works, whether published or not, in the domain of literature, art and science.

The National Copyright Administration promulgated the Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》) on February 20, 2002, which regulates software copyright registration, software copyright exclusive license contracts, and transfer contracts. The National Copyright Administration of China will be the competent authority for the nationwide administration of software copyright registration and the Copyright Protection Centre of China (中國版權保護中心), is designated as the software registration authority. The Computer Software Protection Regulations (2013 Revision) (《計算機軟件保護條例(2013修訂)》) issued by the State Council which stipulates that software copyright owners and relevant matters associated with the protection, registration, licensing, and transfer of software copyright, and stipulates that software copyright owners may obtain registration from the software registration authority acknowledged by the copyright administrative department under the State Council. The Copyright Protection Centre of China will grant registration certificates to the computer software copyrights applicants which complies with the provisions of both of the above regulations.

Regulations on Trademarks

The PRC Trademark Law (《中華人民共和國商標法》) was promulgated by the Standing Committee of the National People's Congress on August 23, 1982, last amended on April 23, 2019, and the Implementation Regulations for the PRC Trademark Law (《中華人民共和國商標法實施條例》) was promulgated by the State Council on August 3, 2002, last amended on April 29, 2014, and effective since May 1, 2014. The Trademark Law and its implementation regulations set forth an application for trademark registration must be filled in based on the published classification of commodities and services. The description of commodities or services must be filled in based on the class number and description in the classification of commodities and services; where the commodities or services are not listed in the classification of commodities and services, a statement on the commodities or services must be attached.

According to the Trademark Law and its implementation regulations, the period of validity for a registered trademark is ten years, from the date of registration. Upon expiry of the period of validity, the registrant must go through the formalities for renewal within twelve months prior to the date of expiry as required if the registrant needs to continue to use the trademark. Where the registrant fails to do so, a grace period of six months may be granted. The period of validity for each renewal of registration is 10 years, from the day immediately after the expiry of the preceding period of validity for the trademark. In the absence of a renewal upon expiry, the registered trademark will be cancelled. A trademark registrant may license its registered trademark to another party by entering into a trademark license contract. Trademark license agreements must be filed with the Trademark Office for record. The licensor must supervise the quality of the commodities on which the trademark is used, and the licensee must guarantee the quality of such commodities.

Regulations on Domain Names

Internet domain name registration and related matters are primarily regulated by the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》) issued by the Ministry of Industry and Information Technology on August 24, 2017, and effective from November 1, 2017, and the Implementation Rules for Registration of National Top-level Domain Names (《國家頂級域名註冊實施細則》) issued by China Internet Network Information Centre (中國互聯網信息中心) on June 18, 2019. Domain name owners are required to register their domain names and the Ministry of Industry and Information Technology is in charge of the administration of PRC internet domain names. The domain name services follow a "first come, first file" principle. The applicants will become the holders of such domain names upon the completion of the registration procedure.

Regulations on Patents

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the Standing Committee of the National People's Congress on March 12, 1984, last amended on October 17, 2020, and effective from June 1, 2021, and the Implementation Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) promulgated by the State Council on June 15, 2001, and last amended on December 11, 2023, there are three types of patents, namely, invention, utility model, and design. Invention patents are valid for twenty years, while design patents are valid for fifteen years and utility model patents are valid for ten years, from the date of application. The PRC patent system adopts a "first come, first file" principle, which means that where more than one person file a patent application for the same invention, a patent will be granted to the person who files the application first. To be patentable, invention or utility models must meet three criteria: novelty, inventiveness, and practicability. Unless otherwise stipulated by relevant laws and regulations, a third party must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement of the patent rights.

REGULATIONS ON TAXES

Regulations on Enterprise Income Tax

Under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), which took effect on January 1, 2008, and was last amended on December 29, 2018, and Regulation on the Implementation of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), which took effect on January 1, 2008, and was amended on December 6, 2024, the PRC enterprise income tax is calculated based on the taxable amount of income. The balance after deducting the tax-free incomes, tax-exempt incomes, all deduction items as well as the permitted remedies for losses of the previous year(s) from an enterprise's total amount of incomes of each tax year will be the taxable amount of incomes. The above two laws generally tax all Chinese resident enterprises at a uniform corporate income tax rate of 25%, including foreign-invested enterprises.

According to the above two laws, the enterprise income tax rate of a high and new technology enterprise is 15%. Pursuant to the Administrative Measures for Accreditation of High-tech Enterprises (《高新技術企業認定管理辦法》), effective on January 1, 2008, and amended on January 29, 2016, for a high-tech enterprise that has been accredited, its qualification will be valid for a period of three years from the date of issuance of the certificate.

Regulations on Value-added Tax

According to the Interim Regulation on Value Added Tax of the PRC (《中華人民共和國增值税暫行條例》) promulgated by the State Council on December 13, 1993, and amended on November 10 2008, February 6, 2016, and November 19, 2017, and the Detailed Rules for the Implementation of the Interim Regulation 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》) promulgated by the Ministry of Finance of PRC (中華人民共和國財政部) on December 25, 1993, and amended on December 15, 2008, and October 28, 2011, entities and individuals that sell goods or labor services of processing, repair, or replacement, sell services, intangible assets, or immovables, or import goods within the territory of the PRC are taxpayers of the value-added tax (增值税), and must pay value-added tax. On December 30, 2022, and September 1, 2023, the Standing Committee of the National People's Congress successively promulgated the Value-added Tax Law (draft for public comments), which, upon its enactment, will replace the Interim Regulation on Value Added Tax of the PRC.

On April 4, 2018, the Ministry of Finance and State Taxation Administration (國家税務總局) jointly promulgated the Circular of the Ministry of Finance and the State Administration of Taxation on Adjustment of Value-Added Tax Rates (《財政部、税務總局關於調整增值税税率的通知》). On March 20, 2019, the Ministry of Finance, the State Tax Administration and the General Administration of Customs of the PRC (中華人民共和國海關總署) issued the Announcement on Policies for Deepening the Value-Added Tax Reform (《關於深化增值税改革有關政策的公告》), which took effect on April 1, 2019. The above provisions promote the further slash value-added tax rates. According to the Announcement, (i) the original 16% or 10% tax rate for general value-added tax taxpayers selling or importing goods is reduced to

13% or 9% respectively; (ii) the 10% value-added tax deduction rate for purchases of agricultural products is reduced to 9%; (iii) the value-added tax deduction rate for purchases of 13% for the production or commissioned processing of agricultural products is reduced to 10%; and (iv) the 16% or 10% export value-added tax refund rate previously granted to the exportation of goods or labor services is reduced to 13% or 9% respectively.

REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

Regulations on Labor Contract

The principle laws and regulations that govern employment include: (i) the Labor Law of the PRC (《中華人民共和國勞動法》), promulgated by the Standing Committee of the National People's Congress on July 5, 1994, effective since January 1, 1995, and last amended on December 29, 2018; (ii) the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), promulgated by the Standing Committee of the National People's Congress on June 29, 2007, and amended on December 28, 2012; and (iii) the Implementation Regulations of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), promulgated by the State Council on September 18, 2008.

According to these laws and regulations above, employers shall enter into labor contracts in writing with employees and shall pay wages timely. All employers shall pay their employees wages no less than the local minimum wage standards. All employers are required to establish a system for labor safety and sanitation, strictly comply with state rules and standards, and provide employees with workplace safety training. Violations of these laws may result in the imposition of fines and other administrative penalties. For serious violations, criminal liability may arise.

On July 16, 2021, the Ministry of Human Resources and Social Security (人力資源和社會保障部), the NDRC, the MOT, together with several other government authorities jointly promulgated Guiding Opinions on Safeguarding the Rights and Interests of Labors in New Forms of Employment (《關於維護新就業形態勞動者勞動保障權益的指導意見》), which require, among others, platform enterprises adopting labor outsourcing and other cooperative labor methods to undertake corresponding responsibilities in accordance with laws and regulations when labors' rights and interests are damaged, call for organizing and launching pilot programs for occupational injury protection of flexible employment personnel, focusing on platform enterprises in industries such as mobility, takeout, instant delivery and intra-city freight, and encourage platform enterprises to improve the protection for flexible employment personnel on the platform by purchasing personal accident, employer liability and other commercial insurances.

On November 17, 2021, the Ministry of Transport, the NDRC, the CAC and certain other government authorities jointly promulgated the Opinions on Strengthening the Protection of the Rights and Interests of Labors in New Forms of Transportation Industry (《關於加強交通運輸新業態從業人員權益保障工作的意見》), which provide that the relevant departments shall urge online ride hailing platform enterprises to announce pricing rules and income distribution rules to relevant parties such as drivers and passengers. The total amount paid by the passengers and the remuneration of the driver, and the ratio of the difference between the aforementioned amounts to the total amount paid by the passengers shall be displayed to the drivers. In addition, these opinions aim to strengthen the occupational injury protection of online ride hailing drivers, encourage online ride hailing platform to actively participate in the occupational injury protection pilot, and urge online ride hailing platform to pay social insurance for drivers who meet the labor relationship conditions in accordance with the law, and guide and support drivers who do not fully meet the conditions for establishing labor relations with online ride hailing platform enterprises to participate in corresponding social insurance. These opinions also emphasize to safeguard the rights of the drivers to have reasonable remuneration and rest, among others.

Regulations on Social Insurance and Housing Fund

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and other relevant PRC laws and regulations such as the Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), Regulations on Work Injury Insurance (《工傷保險條例》), Regulations on Unemployment Insurance (《失業保險條例》) and Trial Measures on Employee Maternity Insurance of Enterprises (《企業職工生育保險試行辦法》), each employer and individual in the PRC must make social insurance contributions, including basic pension insurance, basic medical insurance, work injury insurance, unemployment insurance, and maternity insurance. An employer who fails to promptly pay social insurance contributions in full amount will be ordered to pay or supplement within a prescribed period, and will be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities will impose a fine ranging from one to three times the amount of the amount in arrears. According to the Administrative Regulations on the Housing Provident Fund (《住房公積金管理條例》), each employer and individual in the PRC must make housing provident fund contributions. Where, in violation of the provisions of the regulations, an employer is overdue in the contribution of, or underpays, the housing provident fund, the housing provident fund management center will order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

On September 21, 2018, the Ministry of Human Resources and Social Security of the PRC issued the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Enforcement Payment (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), which prohibits local authorities from organizing and conducting centralized collection of enterprises' historical shortfall of social insurance contributions.

REGULATIONS ON FIRE PROTECTION AND HOUSE LEASING

Regulations on Fire Protection

According to the Fire Prevention 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 on April 29, 1998, and last amended on April 29, 2021, the fire prevention design or construction of a construction project must conform to the national fire prevention technical standards of project construction. For construction projects that require fire protection design in accordance with national engineering construction fire protection technical standards, a construction project fire protection design review and acceptance system must be implemented. When the construction project which should apply for fire control acceptance according to the stipulations of housing and urban-rural construction department of the State Council is completed, the construction unit must apply to the housing and urban-rural construction department for fire control acceptance. For a construction project other than one specified in the foregoing, the constructing party must report to the housing and urban-rural development authority after final inspection for record, and the housing and urban-rural development authority will conduct spot checks.

According to the Interim Provisions on Administration of Fire Control Design Review and Acceptance of Construction Project (《建設工程消防設計審查驗收管理暫行規定》) promulgated by the Ministry of Housing and Urban-Rural Development on April 1, 2020, which took effect on June 1, 2020, the construction entity of a large-scale crowded venue (including the construction of a manufacturing plant whose size is over 2,500 square meters) and other special construction projects must apply for fire prevention design review with fire control authorities, and complete fire assessment inspection and acceptance procedures after the construction project is completed. The construction entity of other construction projects must complete the filing for fire prevention design and the fire safety completion inspection and acceptance procedures within five business days after passing the construction completion inspection and acceptance. If the construction entity fails to pass the fire safety inspection before such venue is put into use or fails to conform to the fire safety requirements after such inspection, it will be subject to (i) orders to suspend the construction of projects, use of such projects, or operation of relevant business, and (ii) a fine between RMB30,000 and RMB300,000.

Regulations on House Leasing

Pursuant to the Administration of Urban Real Estate Law of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by the Standing Committee of the National People's Congress on July 5, 1994, and most recently amended on August 26, 2019, a written lease contract must be entered into between the lessor and the lessee for leasing a property, and the contract must include the terms and conditions such as the term, purpose and price of leasing and liability for maintenance and repair, etc., as well as other rights and obligations of both parties. In March 1999, the NPC passed the PRC Contract Law (《中華人民共和國合同法》), of which Chapter 13 governs lease contracts. On May 28, 2020, the Third Session of the

13th NPC passed the Civil Code of the PRC《中華人民共和國民法典》 which took effect on January 1, 2021, and replaced the PRC Contract Law. According to the Civil Code of the PRC, subject to the consent of the lessor, the lessee may sublease the leased item to a third party. Where the lessee subleases the leased item, the leasing contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the contract if the lessee subleases the leased item without the consent of the lessor. Pursuant to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) which was issued by the MOHURD on December 1, 2010, and took effect on February 1, 2011, house may not be leased in any of the following circumstances: (i) the house is an illegal structure; (ii) the house fails to meet mandatory engineering construction standards with respect to safety and disaster preventions; (iii) house usage is changed in violation of applicable regulations; and (iv) other circumstances which are prohibited by laws and regulations. The lessor and the lessee must register and file with the local property administration authority within thirty days after entering the lease contract and make further registration for changes of such lease (if any). Enterprise's non-compliance with such registration and filing requirements will be subject to fines from RMB1,000 to RMB10,000 if they fail to rectify within required time limits. In addition, the housing and urban-rural development department of government of provinces, autonomous regions and centrally administered municipalities may formulate implementation regulations based on these measures.