This section sets forth a summary of the most significant rules and regulations that affect our business activities in China or the rights of our shareholders to receive dividends and other distributions from us.

REGULATIONS RELATED TO ANIMAL CLINICS

Administrative Measures for Animal Clinics

For purposes of strengthening the administration of animal clinics, regulating animal clinical activities and protecting public health safety, Administrative Measures for Animal Clinics (《動物診療機構管理辦法》) was published by the Ministry of Agriculture and Rural Affairs on 26 November 2008, last amended on 7 September 2022 and became effective on 1 October 2022. "Animal clinical activities" in these measures shall refer to the prevention, diagnosis, and treatment of animal diseases, animal sterilization operations and other business activities, including animal health testing, drug administration, acupuncture, surgery, filling out diagnosis certificates and issuing relevant certification documents for animal diagnosis and treatment. Animal diagnosis and treatment institutions as mentioned in these Measures include animal hospitals, animal clinics and other institutions that provide animal diagnosis and treatment services. All institutions engaging in animal diagnosis and treatment activities within the territory of the PRC shall obtain an animal diagnosis and treatment license and shall conduct these activities within the prescribed scope under the license. An animal clinic to be established shall have one or more staff members who have obtained the qualification certificate in veterinarian. An animal hospital, which engages in animal cranial, thoracic or abdominal surgeries, shall have three or more staff members who have obtained the qualification certificate of practising veterinarian.

Administrative Measures for Animal Epidemic Prevention

According to the Law of the PRC on Animal Epidemic Prevention (《中華人民共和國動物防疫法》), which was promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on 3 July 1997, last amended on 22 January 2021 and became effective on 1 May 2021, institutions for diagnosis and treatment of animal diseases include animal hospitals, animal clinics and other institutions that provide services in diagnosis and treatment of animal diseases. An institution for the diagnosis and treatment of animal diseases shall meet the following conditions:

(1) having the places that are suited to the need for diagnosis and treatment of animal diseases and that meet the requirements for the prevention of animal epidemics;

(2) having licensed veterinarians who meet the need for diagnosis and treatment of animal diseases;

(3) having the veterinary medical apparatus and instruments needed for the diagnosis and treatment of animal diseases; and

(4) having a sound management system.

Regulations on the Safety and Protection of Radioisotopes and Radiation Devices and Measures for Administration of the Safety Licensing of Radioactive Isotopes and Radioactive Equipment

According to Regulations on Safety and Protection of Radioisotopes and Radiation-emitting Devices (《放射性同位素與射線裝置安全和防護條例》), which were promulgated by the State Council on 14 September 2005, came into effect on 1 December 2005 and revised on 29 July 2014 and 2 March 2019, respectively, and Measures for Administration of the Safety Licensing of Radioactive Isotopes and Radioactive Equipment (《放射性同位素與射線裝置安全許可管理辦法》), which was promulgated by Ministry of Environmental Protection on 18 January 2006 and latest revised on 4 January 2021, stipulate that any entity engaging in the production, sale or use of radioisotopes or radiation devices of different categories shall obtain a Radiation Safety License. If any entity is engaged in the production, sale or use of radioisotopes or radiation devices without a Radiation Safety License, the relevant departments of ecology and environment at or above the county level may order such an entity to stop the violation and take corrective measures within a prescribed time limit. If the entity fails to take any corrective actions within the prescribed time limit, the entity may be ordered to suspend production or business operation. Further, income, if any, has been generated from the above-mentioned violation, shall be confiscated, and if such income amounts to RMB100,000 or above, a fine of one to five times may be imposed; if no such income had been generated or such income is less than RMB100,000, a fine of RMB10,000 to RMB100,000 may be imposed.

Regulations on the Administration of Veterinary Drugs

To strengthen the administration of veterinary drugs, ensure the quality of veterinary drugs, prevent and treat animal diseases, promote the development of the breeding industry and safeguard human health, the State Council promulgated the Regulations on the Administration of Veterinary Drugs (《獸藥管理條例》) on 21 May 1987, which was last revised on 27 March 2020 and became effective on the same day, the State applies a system of classified administration to veterinary prescription drugs and over-the-counter drugs. Veterinary prescription drugs refer to veterinary drugs that may only be purchased and used upon veterinary prescriptions. Non-prescription veterinary drugs refer to the veterinary drugs that are publicized by the veterinary administrative department under the State Council and may be purchased by oneself without a veterinary prescription and shall be used according to the instructions. It is forbidden to sell, purchase or use veterinary drugs subject to the administration of prescription drugs implemented by the veterinary administrative department under the State Council without a veterinarian's prescription. Anyone who, in violation of the Regulations on the Administration of Veterinary Drugs, sells, purchases or uses veterinary prescription drugs without a veterinarian's prescription shall be ordered to make corrections within a prescribed time limit, have his illegal gains confiscated, and be concurrently fined not more than RMB50,000; if losses are caused to others, he shall bear the liability for compensation according to law.

REGULATIONS RELATED TO PRACTICING VETERINARIANS AND RURAL VETERINARIANS

According to the Circular of the General Office of the Ministry of Agriculture and Rural Affairs on Effectively Carrying out the Follow-up Work Concerning the Cancellation of Two Administrative Licensing Items, including the Registration of Licensed Veterinarians (《農業農村部辦公廳關於做好取消執業獸醫註冊等2項行政許可後續工作的通知》), which was promulgated on 27 April 2021, registration of licensed veterinarians is replaced by filing. Persons who have obtained qualification certificates as veterinarians and are engaged in animal diagnosis, treatment and other business activities shall file with the local agriculture and rural department. The county-level agricultural and rural department is responsible for the supervision and management of practising veterinarians within the jurisdiction of the county and punishes those who engage in commercial animal diagnosis and treatment activities without filing. For practising veterinarians engaged in animal diagnosis and treatment services in two or more counties, they shall file with the local county-level agriculture and rural departments according to the procedures.

Administrative Measures for Practicing Veterinarians and Rural Veterinarians (《執業獸醫和鄉村獸醫管理辦法》) was issued by the Ministry of Agriculture and Rural Affairs (the "**MARA**") on 22 August 2022 and became effective on 1 October 2022, to replace the Administrative Measures for Practicing Veterinarians. According to the Measures, those who have obtained a qualification certificate as veterinarians and engage in animal diagnosis and treatment activities in an animal diagnosis and treatment institution shall file with the recordation authority where the animal diagnosis and treatment institution is located. A practising veterinarian may file multiple practising animal diagnosis and treatment institutions within the same county; if they engage in animal diagnosis and treatment activities in different counties, they shall file with the registration authority respectively where the animal diagnosis and treatment institution is located. If there is a change in the practising animal diagnosis and treatment institution, the filing information shall be updated promptly. Licensed veterinarians shall practice in registered animal diagnosis and treatment institutions, except for consultation, support, invited visits, and first aid between animal diagnosis and treatment institutions.

REGULATIONS ON ENVIRONMENTAL PROTECTION

Environmental Impact Appraisal

According to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), promulgated by the SCNPC on 28 October 2002, and most recently amended on 29 December 2018, the PRC government implements administration by classification on the environmental impact of construction projects according to the level of impact on the environment. The construction unit shall prepare an environmental impact report, an environmental impact report form or complete an environmental impact registration form (the "**Environmental Impact Assessment Documents**") for reporting and filing purposes. If the Environmental Impact Assessment Documents of a construction project have not been reviewed by the approving authority under law or have not been granted approval after the review, the construction unit is prohibited from commencing construction works. For a

construction project for which an environmental impact report or environmental impact report form is prepared, its supporting environmental protection facilities may be put into production or use only after they pass the acceptance inspection. Where the relevant facilities have not undergone acceptance inspection or do not pass acceptance inspection, they shall not be put into production or use.

According to the Administration Rules on Environmental Protection of Construction Projects (《建設項目環境保護管理條例》), which was promulgated by the State Council on 29 November 1998 and came into force on the same date, amended on 16 July 2017 and became effective on 1 October 2017, depending on the impact of the construction project on the environment, a construction employer shall submit an environmental impact report or an environmental impact form, or file a registration form. As to a construction project, for which an environmental impact report or the environmental impact form is required, the construction employer shall, before the commencement of construction, submit the environmental impact report or the environmental impact form to the relevant authority at the environmental protection administrative department for approval. If the environmental impact assessment documents of the construction project have not been examined or approved upon examination by the approval authority under the law, the construction employer shall not commence the construction.

The Administration Rules on Environmental Protection of Construction Projects also requires that upon completion of construction for which an environmental impact report or environmental impact statement is formulated, the construction employer shall conduct an acceptance inspection of the environmental protection facilities pursuant to the standards and procedures stipulated by the environmental protection administrative authorities of the State Council, formulate the acceptance inspection report. Except where confidentiality is required by national regulations, the construction employer shall disclose the acceptance report in accordance with the law. Where the environmental protection facilities have not undergone acceptance inspection or do not pass acceptance inspection, the construction project shall not be put into production or use.

The Interim Measures for Acceptance of Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) (the "**Measures**") was promulgated and implemented by the former Ministry of Environmental Protection (now the Ministry of Ecology and Environment) on November 20, 2017. The Measures regulate the procedures and standards for environmental protection independent acceptance by construction units upon the completion of construction projects.

Regulations on the Management of Medical Waste and Administrative Measures

The Regulations on the Management of Medical Waste (《醫療廢物管理條例》), promulgated by the State Council on 16 June 2003, came into effect on the same day, further amended and came into effect on 8 January 2011, and the Measures for Medical Wastes Management of Medical and Health Institutions (《醫療衛生機構醫療廢物管理辦法》), promulgated by the Ministry of Public Health on 15 October 2003 and came into effect on the same day, stipulate that the medical and health institution shall apply classified management of medical wastes under the catalogue of Classifications of Medical Wastes (《醫療廢物分類目錄(2021年版)》) and shall hand over the medical wastes to the entity of concentrated disposal of medical wastes approved by the administrative department of public health of the people's government at the county level or above, and shall fill in and keep the handover forms under the system of handover forms of dangerous wastes. If a medical and health institution, violates the Regulations on the Management of Medical Waste or the Measures for Medical Wastes Management of Medical and Health Institutions, is in any of the situations as follows, the administrative department of public health of the local people's government at the county level or above shall order it to correct within a prescribed time limit, give it a warning, and impose on it a fine ranging from RMB5,000 to RMB10,000; if the institution fails to correct within the aforesaid time limit, it shall be imposed on a fine ranging from RMB10,000 to

RMB30,000; if spreading of infectious diseases is caused, the original license issuing department shall suspend or revoke the practice license of the medical and health institution; and if any crime has been constituted, the offenders shall be subject to criminal liabilities:

(1) casting medical wastes within the medical and health institution and dumping and piling up medical wastes at any non-storage places, or mixing the medical wastes with other wastes and house refuse;

(2) giving the medical wastes to any entities or individuals that have not obtained the operation license;

(3) failing to make strict disinfection of the sewage and the rejections of infectious patients or suspect infectious patients following aforesaid Regulations and Measures, or discharging them into the sewage disposal system where the discharging standards prescribed by the state are not reached;

(4) failing to manage and dispose of the house refuse as medical wastes produced by infectious patients and suspect infectious patients.

REGULATIONS ON FIRE PROTECTION

According to the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》), which was promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on 29 April 1998, last amended on 29 April 2021 and became effective on the same date, for construction projects for which fire protection acceptance is required as stipulated by the competent department of housing and urban-rural construction under the State Council, the construction unit shall apply to the competent department of housing and urban-rural construction for fire protection acceptance upon completion of the project. For other construction projects not specified in the preceding paragraph, the construction unit shall, after conducting acceptance, submit the relevant documents to the competent department of housing and urban-rural construction for filing, and the competent department of housing and urban-rural construction shall carry out random inspections. If a construction unit fails to submit the documents to the competent department of housing and urban-rural construction for filing after acceptance as required by this Law, the competent department of housing and urban-rural construction shall order it to make correction and impose a fine of not more than 5,000 RMB.

According to the Eight Measures of the Public Fire Protection Department on Deepening Reform and Serving Economic and Social Development (《公安消防部門深化改革服務經濟社會發展八項措施》), which was issued by the Ministry of Public Security on 13 August 2015, the fire protection design and acceptance filing for construction projects with an investment amount of less than 300,000 RMB or a construction area of less than 300 square meters (or below the threshold set by the competent department of housing and urban-rural construction of the provincial people's government) is abolished.

REGULATIONS RELATED TO FOREIGN INVESTMENT IN THE PRC

Investments activities in China by foreign investors are principally governed by the Encouraged Industries catalogue for Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》) (the "**catalogue**") which was promulgated by the Ministry of Commerce (the "**MOFCOM**") and the National Development and Reform Commission (the "**NDRC**") on 26 October 2022 and became effective on 1 January 2023 and the Special Administrative Measures for Foreign Investment Access (Negative List 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List (2024)**"), which was promulgated by the MOFCOM and the NDRC on 6 September 2024 and became effective on 1 November 2024. The catalogue and the Negative List (2024) set forth the industries in which foreign investments are encouraged, restricted and prohibited. Industries that are not listed in any of these three categories are generally open to foreign investment unless otherwise specifically restricted by other PRC rules and regulations.

On 15 March 2019, the National People's Congress of the PRC (the "**NPC**") approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**"), which took effect on 1 January 2020 and replaced the Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法》), the Sino-Foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-Invested Enterprise Law of the PRC (《中華人民共和國外資企業法》) and became the legal foundation for foreign investment in the PRC. On 26 December 2019, the State Council issued the Regulations on Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Rules**") which took effect on 1 January 2020 and replaced the Regulations on Implementing the Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法實施條例》), Provisional Regulations on the Duration of Sino-Foreign Equity Joint Venture Enterprise Law (《中外合資經營企業合營期限暫行規定》), the Regulations on Implementing the Wholly Foreign-Invested Enterprise Law of the PRC (《中華人民共和國外資企業法實施細則》) and the Regulations on Implementing the Sino-foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法實施細則》). Under the Foreign Investment Law and the Implementation Rules, the existing foreign-invested enterprises established before the effective date of the Foreign Investment Law are allowed to keep their corporate organization forms for five years from the effectiveness of the Foreign Investment Law before such existing foreign-invested enterprises change their organizational forms and organization structures in accordance with the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**Company Law**"), the Partnership Enterprise Law of the PRC (《中華人民共和國合夥企業法》) and other applicable laws. Pursuant to the Foreign Investment Law, foreign investment means the investment activities within the PRC directly or indirectly conducted by foreign natural persons, enterprises, and other organizations (the "**foreign investor**"), including the following circumstances: (1) a foreign investor, individually or collectively with other investors, establishes a foreign-invested enterprise within PRC; (2) a foreign investor acquires any shares, equities, the portion of the property, or other similar interest in an enterprise within the PRC; (3) a foreign investor, individually or collectively with other investors, invests in a new project within the PRC; and

(4) foreign investors invest in the PRC through any other methods under laws, administrative regulations, or provisions prescribed by the State Council of the PRC. The PRC applies the administrative system of pre-establishment national treatment plus a negative list to foreign investment.

On 30 December 2019, the MOFCOM and the State Administration for Market Regulation (the "**SAMR**") issued the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which took effect on 1 January 2020 and replaced the Interim Measures for the Recordation Administration of the Formation and Modification of Foreign-Funded Enterprises (《外商投資企業設立及變更備案管理暫行辦法》), and thus for foreign investors carrying out investment activities directly or indirectly in China, instead of filing formalities, foreign investors shall report their foreign investment information to the commerce authorities.

REGULATIONS RELATED TO ADVERTISING IN THE PRC

Advertisement Law of the PRC

The Advertisement Law of the PRC (《中華人民共和國廣告法》) (the "**Advertisement Law**"), which was promulgated by the SCNPC on 27 October 1994 and came into effect on 1 February 1995 and last amended on 29 April 2021, provides that advertisements shall not contain false statements and be deceitful or misleading to consumers. Advertisements legally required to receive censorship, including those that are relating to medical treatment, pharmaceuticals and medical devices, shall be reviewed by relevant authorities in accordance with relevant rules before being published.

Measures for the Administration of Internet Advertisement

The Measures for the Administration of Internet Advertisement (《互聯網廣告管理辦法》), which were promulgated by the State Administration for Market Regulation (the "**SAMR**") on 25 February 2023 and came into effect on 1 May 2023, provide that Internet advertisement shall be identifiable so that consumers will identify it is as such. For goods or services promoted through paid search ranking, advertising publishers shall clearly identified as an "advertisement" and shall be clearly distinguished from natural search results. It is prohibited to publish advertisements for tobacco (including e-cigarettes) via the Internet. It is prohibited to publish advertisements for prescription drugs via the Internet, unless otherwise provided by laws or administrative regulations. Advertisement for medical treatment, medicines, medical apparatuses, pesticides, veterinary medicines, dietary supplements, foods for special medical purposes, or other advertisements subject to review as stipulated by laws and administrative regulations shall undergo content examination by advertisement examination authorities prior to release; no such advertisement shall be released without examination. Internet advertisements requiring review shall be published strictly in accordance with the examined content, and shall not be edited, spliced, or modified. Any modifications to already examined advertisement content shall require re-application for advertisement review.

REGULATIONS RELATED TO CONSUMER PROTECTION

According to the Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》), which was promulgated by the SCNPC on 31 October 1993 and last amended on 25 October 2013, in providing commodities or services to consumers, business operators shall fulfil their obligations in accordance with this Law and other applicable laws and regulations. Business operators shall fulfil their obligations as agreed upon with consumers, provided that the agreements with consumers are not in violation of the provisions of laws and regulations. In providing commodities or services to consumers, business operators shall adhere to social morality, operate a business in good faith, and protect the lawful rights and interests of consumers; and shall neither set unfair or unreasonable trading conditions nor force consumers into any transactions. Business operators shall provide consumers with true and complete information on the quality, performance, use, and useful life, among others, of commodities or services; and shall not conduct any false or misleading promotion. Business operators shall provide true and definite answers to questions from consumers regarding the quality and use instructions of their provided commodities or services. Business operators shall clearly mark the prices of their provided commodities or services.

REGULATIONS RELATED TO INFORMATION SECURITY AND PRIVACY PROTECTION

In recent years, PRC government authorities have enacted laws and regulations on internet use to protect personal information from any unauthorized disclosure. Pursuant to Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), which was promulgated by the Ministry of Industry and Information Technology of the PRC (the "**MIIT**") in December 2011 and became effective in March 2012, internet information service providers shall not collect any user's personal information or provide any such information to third parties without the consent of the users. An internet information service provider must expressly inform the users of the method, content and purpose of the collection and processing of such user personal information and may only collect such information necessary for the provision of its services. An internet information service provider is also required to properly maintain the user's personal information, and in case of any leak or likely leak of the user's personal information, it must take immediate remedial measures and, in severe circumstances, immediately report to the telecommunications authorities. And under the Provisions on Protecting the Personal Information of Telecommunications and Internet Users (《電信和互聯網用戶個人信息保護規定》) issued by MIIT on 16 July 2013, any collection and use of user personal information must be subject to the consent of the user, abide by the principles of legality, rationality and necessity within the specified purposes, methods and scopes. A telecommunication business operator or internet information service provider must also keep such information strictly confidential, and is further prohibited from divulging, tampering or destroying any such information, or selling or illegally providing such information to other parties.

On 28 June 2016, the Cyberspace Administration of China (the "**CAC**") issued the Administrative Provisions on Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》), which was amended on 14 June 2022 and took effect on 1 August 2022. According to this, application providers shall process personal information by following the principles of legitimacy, rightfulness, necessity and good faith, have clear and reasonable purposes, disclose processing rules, comply with the relevant provisions on the scope of necessary personal information, regulate personal information processing activities, and take necessary measures to ensure the security of personal information. They shall not, for any reason, force users to consent to personal information processing, or refuse users to use their basic functions and services on the ground that users do not agree to provide unnecessary personal information.

The PRC Cyber Security Law (《中華人民共和國網絡安全法》), which was promulgated by the SCNPC on 7 November 2016 and became effective on 1 June 2017, requires that network operators shall comply with laws and regulations and fulfil their obligations to safeguard the security of the network when conducting business and providing services. Those who provide services through networks shall take technical measures and other necessary measures pursuant to the mandatory requirements of laws, regulations and national standards to safeguard the safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data, and the network operator shall not collect the personal information irrelevant to the services it provides or collect or use the personal information in violation of the provisions of laws or agreements between both parties. Any violation of the provisions and requirements under the PRC Cyber Security Law may subject internet service providers to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, closedown of websites or even criminal liabilities.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》) which was promulgated by the National People's Congress of the PRC (the "**NPC**") on 28 May 2020 and came into effect on 1 January 2021, the personal information of a natural person shall be protected. Any organization or individual shall legally obtain the personal information of others when necessary and ensure the safety of such personal information, and shall not illegally collect, use, process or transmit the personal information of others, or illegally buy or sell, provide or make public the personal information of others. In addition, on 20 August 2021, the SCNPC passed the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**Personal Information Protection Law**") which came into effect on 1 November 2021, the Personal Information Protection Law integrates the scattered rules with respect to personal information rights and privacy protection. The Personal Information Protection Law aims at protecting personal information rights and interests, regulating the processing of personal information, ensuring the orderly and free flow of personal information in accordance with the law, and promoting the reasonable use of personal information. The Personal Information Protection Law provides the circumstances under which a personal information processor could process personal information, which include but are not limited to, where the consent of the individual concerned is obtained and where it is necessary for the conclusion or performance of a contract to which the individual is a contractual party.

On 10 June 2021, the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**") was promulgated by the SCNPC, which took effect in September 2021. The Data Security Law introduces a data classification and hierarchical protection system based on the materiality 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 persons or entities when such data is tampered with, destroyed, divulged, or illegally acquired or used. It also provides a security review procedure for the data processing activities which may affect national security.

On 28 December 2021, CAC jointly with the relevant authorities, published the Cyber Security Review Measures (《網絡安全審查辦法》), which stipulates that operators of critical information infrastructure purchasing network products and services, and online platform operators carrying out data processing activities that affect or may affect national security, shall conduct a cyber security review.

On 9 September 2024, the State Council published the Regulations on Cyber Data Security Management (《網絡數據安全管理條例》), which sets out general guidelines, protection of personal information, security of important data, security management of cross-border data transfer, obligations of internet platform service providers, supervision and management, and legal liabilities. According to the Regulations on Cyber Data Security Management, the data processors engaging in data processing activities that affect or may affect national security must undergo national security reviews in accordance with relevant laws and regulations.

Regulations Related to Anti-Monopoly

According to the PRC Anti-Monopoly Law (《中華人民共和國反壟斷法》) promulgated by the SCNPC on 30 August 2007 and amended on 24 June 2022, monopolistic activities shall include (1) monopolistic agreements between undertakings; (2) abuse of dominant market position by undertakings; and (3) concentration of undertakings which has or may have an effect of eliminating or restricting competition. The dominant market position shall mean that an undertaking is able to control the prices, quantities or any other terms of the transaction in the relevant market or is able to obstruct and affect the entry of other undertakings into the relevant market. Undertakings which hold dominant market position shall not abuse their dominant market position to engage in the following activities: (1) sell commodities at unfairly high prices or purchase commodities at unfairly low prices; (2) sell commodities at below-cost prices without a valid reason; (3) refuse to transact with trading counterparts without a valid reason; (4) restrict trading counterparts to transact only with the undertaking or only with designated undertakings without a valid reason; (5) bundle sale of commodities without a valid reason or imposition of any other unreasonable terms of the transaction during a transaction; or (6) implement differential treatment for terms of transaction such as transaction price for similar trading counterparts without a valid reason; or (7) perform any other activities of abuse of dominant market position as defined by the anti-monopoly enforcement agency of the State Council. The SCNPC decided to amend the PRC Anti-Monopoly Law on 24 June 2022. The amendment to the PRC Anti-Monopoly Law became effective on 1 August 2022, which further

stipulates that undertakings which hold dominant market positions shall not abuse their dominant market position to engage in the preceding activities by taking advantage of data, algorithms, technology and platform rules.

According to the PRC Anti-Monopoly Law, the state strengthens anti-monopoly regulatory forces and enhances enforcement and judicature of the PRC Anti-Monopoly Law. Specifically speaking, where an undertaking has violated the provisions in effect in entering into and implementing a monopolistic agreement, the anti-monopoly enforcement agency may order the undertaking to stop the illegal act and confiscate the illegal income and impose a fine ranging from 1% to 10% of the sales of the preceding year. Where an undertaking has voluntarily reported the relevant activities in entering into a monopolistic agreement to the anti-monopoly enforcement agency and provided important evidence, the anti-monopoly enforcement agency may, at its discretion, reduce or waive the punishment for such an undertaking. According to the PRC Anti-Monopoly Law, where an undertaking has violated the provisions in relation to entering into and implementing a monopolistic agreement and has no sale in the preceding year, the anti-monopoly enforcement agency may impose a fine of not more than RMB5,000,000. Where a monopolistic agreement has been entered into but has not been implemented, a fine of not more than RMB3,000,000 may be imposed. Where the legal representative, principal and directly responsible person of an undertaking are personally responsible for entering into a monopoly agreement, a fine of not more than RMB1,000,000 may be imposed. Where an undertaking has violated the provisions in abusing its dominant market position, the anti-monopoly enforcement agency shall order the undertaking to stop the illegal act and confiscate the illegal income, in which case a fine of 1% to 10% of the sales of the preceding year may also be imposed. Where an undertaking has violated the provisions in effect in implementing concentration, the anti-monopoly enforcement agency may order the undertaking to stop implementing concentration, dispose of the shares or assets within a stipulated period, transfer the business within a stipulated period, or adopt other necessary measures to reinstate the pre-concentration status, in which case a fine of not more than 10% of the sales of the preceding year may also be imposed; or impose on it a fine of not more than RMB5,000,000 if the concentration has no effect of eliminating or restricting competition.

According to the PRC Anti-Monopoly Law, where an undertaking has violated the provisions in implementing concentration, which has or may have the effect of eliminating or restricting competition, the preceding provisions shall apply and a fine of not more than 10% of the sales amount of the preceding year may also be imposed. Where an undertaking has violated the provisions in implementing concentration without the effect of eliminating or restricting competition, a fine of not more than RMB5,000,000 may be imposed.

REGULATIONS RELATED TO DIVIDEND DISTRIBUTION

The principal laws and regulations regulating the dividend distribution of dividends by foreign-invested enterprises in the PRC include the Company Law and the Foreign Investment Law. Under the current regulatory regime in the PRC, foreign-invested enterprises in the PRC may pay dividends only out of their accumulated profit, if any, determined in accordance with PRC accounting standards and regulations (《中華人民共和國企業會計準則》). A PRC company, including foreign-invested enterprise, is required to set aside as general reserves at least 10% of its after-tax profit until the cumulative amount of such reserves reaches 50% of its registered capital unless the provisions of laws regarding foreign investment otherwise provided, and shall not distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

REGULATIONS RELATED TO INTELLECTUAL PROPERTY

Copyright

The Copyright Law of the PRC (《中華人民共和國著作權法》) (the "**Copyright Law**"), which was promulgated by the SCNPC on 7 September 1990 and last amended on 11 November 2020, provides that Chinese citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. The purpose of the Copyright Law aims to encourage the creation and dissemination of works which is beneficial for the construction of socialist spiritual civilization and material civilization and promote the development and prosperity of Chinese culture.

Under the Regulation on Protection of the Right to Network Dissemination of Information (《信息網絡傳播權保護條例》) that took effect on 1 July 2006 and amended on 30 January 2013, it is further provided that an internet information service provider may be held liable under various situations, including if it knows or should reasonably have known a copyright infringement through the internet and the service provider fails to take measures to remove or block or disconnects links to the relevant content, or, although not aware of the infringement, the internet information service provider fails to take such measures upon receipt of the copyright holder's notice of infringement.

Measures on Administrative Protection of Internet Copyright (《互聯網著作權行政保護辦法》), which were promulgated by the Ministry of Information Industry (the "**MII**") and the National Copyright Administration of the PRC (the "**NCAC**") and took effect on 30 May 2005, provide that an internet information service provider shall take measures to remove the relevant contents, record relevant information after receiving the notice from the copyright owner that some content communicated through internet infringes upon his/its copyright and preserve the copyright owner's notice for six months. Where an internet information service provider clearly knows an internet content provider's tortuous act of infringing upon another's copyright through the internet or fails to take measures to remove relevant contents after receipt of the

copyright owner's notice although it does not know it clearly, and meanwhile damages public benefits, the infringer shall be ordered to stop the tortious act, and may be imposed of confiscation of the illegal proceeds and a fine of not more than three times the illegal business amount; if the illegal business amount is difficult to be calculated, a fine of not more than RMB100,000 may be imposed.

The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》) (the "**Software Copyright Measures**"), which were promulgated by the NCAC on 20 February 2002, regulate registrations of software copyright, exclusive licensing contracts for software copyright and transfer contracts. The NCAC shall be the competent authorities for the nationwide administration of software copyright registration and the Copyright Protection Center of China (the "**CPCC**") is designated as the software registration authority. The CPCC shall grant registration certificates to the Computer Software Copyrights applicants which conform to the provisions of both the Software Copyright Measures and the Computer Software Protection Regulations (Revised in 2013) (《計算機軟件保護條例》(2013年修訂)).

Trademark

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated on 23 August 1982 and last amended on 23 April 2019, as well as the Implementation Regulation of the PRC Trademark Law (《中華人民共和國商標法實施條例》), which was adopted by the State Council on 3 August 2002 and amended on 29 April 2014. In the PRC, registered trademarks include commodity trademarks, service trademarks, collective marks and certification marks.

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

Patent

Patents are protected by the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated on 12 March 1984 and last amended on 17 October 2020 with effect from 1 June 2021. A patentable invention or utility model must meet three conditions: novelty, inventiveness and practical applicability. Patents cannot be granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds, methods of nuclear transformation or substances obtained by means of nuclear transformation. The Patent Office under the China National Intellectual Property Administration is responsible for receiving, examining and approving patent applications. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model and a fifteen-year term for a design. Except under certain specific circumstances provided by law, any third-party user must obtain consent or a proper license from the patent owner to use the patent, or else the user will constitute an infringement of the rights of the patent holder.

Domain Names

Domain names are protected under the Administrative Measures on the Internet Domain Names (《互聯網域名管理辦法》) promulgated by MIIT. MIIT is the major regulatory body responsible for the administration of the PRC internet domain names, under the supervision of which the China Internet Network Information Center (the "**CNNIC**") is responsible for the daily administration of .cn domain names and Chinese domain names. The CNNIC adopts the "first to file" principle with respect to the registration of domain names. In November 2017, MIIT promulgated the Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Providing Internet-based Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》), which became effective on 1 January 2018. Pursuant to the notice, the domain name used by an internet-based information service provider in providing internet-based information services must be registered and owned by such providers in accordance with the law. If the internet-based information service provider is an entity, the domain name registrant must be the entity (or any of the entity's shareholders), or the entity's principal or senior manager.

REGULATIONS RELATED TO FOREIGN EXCHANGE

The Regulations on the Control of Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》), which were promulgated by the State Council on 29 January 1996, became effective on 1 April 1996 and were last amended on 5 August 2008, set out that foreign exchange receipts of domestic institutions or individuals may be remitted back to the PRC or deposited abroad and that the State Administration of Foreign Exchange of the PRC ("**SAFE**") shall specify the conditions relating to the requirements, time periods and other aspects of such remittance and deposits in accordance with the international receipts, payments status and requirements of foreign exchange administration. Domestic institutions or individuals that make direct investments abroad or are engaged in the distribution or sale of valuable securities or derivative products overseas shall register according to SAFE regulations. Such institutions

or individuals subject to prior approval or record-filing with other competent authority shall complete the required approval or record-filing prior to foreign exchange registration. The exchange rate for RMB follows a managed floating exchange rate system based on market demand and supply.

The Regulations on the Administration of the Settlement, Sale and Payment of Foreign Exchange, (《結匯、售匯及付匯管理規定》) which were promulgated by the People's Bank of China on 20 June 1996 and came into effect on 1 July 1996, provide that foreign exchange earnings under the current account of foreign-invested entities may be retained to the fullest extent specified by the relevant foreign exchange bureau. Any portion in excess of such amount shall be sold to a designated foreign exchange bank or through a foreign exchange swap centre.

On 30 March 2015, the SAFE promulgated a Notice on Reforming the Mode of Management of Settlement of Foreign Exchange Capital of Foreign-Funded Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**Circular 19**"), which came into effect on 1 June 2015. According to Circular 19, the foreign exchange capital of foreign-invested entities shall be subject to the discretional foreign exchange settlement (the "**Discretional Foreign Exchange Settlement**") and its proportion is temporarily determined as 100%. Furthermore, Circular 19 stipulates that the use of capital by foreign-invested entities shall follow the principles of authenticity and self-use within the business scope of enterprises. The capital of a foreign-invested entity and capital in RMB obtained by the foreign-invested entity from a foreign exchange settlement shall not be used for certain purposes as prescribed in Circular 19. On 9 June 2016, the SAFE promulgated the Circular on Reforming and Regulating Policies on the Management of the Settlement of Foreign Exchange 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》) (the "**SAFE Circular 16**"). SAFE Circular 16 unifies policies on the discretionary settlement of foreign exchange receipts under capital accounts of domestic institutions.

REGULATIONS RELATED TO TAXATION

Enterprise Income Tax

According to (i) the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**"), which was promulgated by the NPC on 16 March 2007 and came into effect on 1 January 2008, and further amended on 24 February 2017 and 29 December 2018, and (ii) the Implementation Regulations on the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) (the "**EIT Rules**"), which was promulgated by the State Council on 6 December 2007, with its latest amendment on 6 December 2024 and effected on 20 January 2025, the tax rate for both domestic-funded enterprises and foreign-invested enterprises is 25%. Under the PRC EIT Law and PRC EIT Rules, enterprises are classified as either "resident enterprises" or "non-resident enterprises."

Enterprises established outside the PRC whose "de facto management bodies" are located in the PRC are considered "resident enterprises" and are subject to the uniform 25% PRC EIT rate for their global income. According to the PRC EIT Rules, a "de facto management body"

refers to a managing body that exercises, in substance, overall management and control over the manufacture and business, personnel, accounting and assets of an enterprise. Dividends, bonuses and other equity investment proceeds distributed between qualified resident enterprises shall be tax-free income.

The EIT Law provides that a non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within the PRC but which have an establishment or place of business in the PRC, or which do not have an establishment or place of business in the PRC but have income sourced within the PRC. The EIT Rules provide that after 1 January 2008, an income tax rate of 10% will normally be applicable to dividends declared to non-resident enterprise investors which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with such establishment or place of business, to the extent such dividends are derived from a source within the PRC. The income tax on the dividends may be reduced pursuant to a tax treaty between the PRC and the jurisdiction in which the non-resident enterprise investor is located if the non-resident enterprise investor is determined by the competent PRC tax authority to have satisfied relevant conditions and requirements.

The Announcement on Several Issues Concerning the Enterprise Income Tax on Indirect Transfer of Assets by Non-Resident Enterprises (《關於非居民企業間接轉讓財產企業所得稅若干問題的公告》) (the "**SAT Circular 7**") was issued by the State Taxation Administration of the PRC (the "**SAT**") on 3 February 2015 and last amended on 29 December 2017, provides comprehensive guidelines heightening the PRC tax authorities' scrutiny on, indirect transfers by a non-resident enterprise of assets, including assets of organizations and premises in PRC, immovable property in the PRC, equity investments in PRC resident enterprises. On 17 October 2017, the SAT issued the Announcement on Issues Relating to Withholding at the Source of Income Tax of Non-resident Enterprises (《關於非居民企業所得稅源泉扣繳有關問題的公告》), which took effect on 1 December 2017 and amended on 15 June 2018, the balance after deducting the equity net value from the equity transfer income shall be the taxable income amount for equity transfer income.

Under the SAT Circular 7 and the Law of the PRC on the Administration of Tax Collection (《中華人民共和國稅收徵收管理法》), which was promulgated by the SCNPC on 4 September 1992 and amended on 24 April 2015, in the case of an indirect transfer, entities or individuals obligated to pay the transfer price to the transferor shall act as withholding agents. If they fail to make a withholding or withhold the full amount of tax payable, the transferor of equity shall declare and pay tax to the relevant tax authorities within seven days from the occurrence of the tax payment obligation.

Tax Treaties

According to the Treaty on the Avoidance of Double Taxation and Tax Evasion between Mainland and Hong Kong (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) (the "**Tax Treaty**") entered into between Mainland China and the Hong Kong Special Administrative Region (the "**HKSAR**") on 21 August 2006, if the non-PRC parent

company of a PRC enterprise is a Hong Kong resident which beneficially owns 25% or more interest in the PRC enterprise, the 10% withholding tax rate applicable under the EIT Law may be lowered to 5% for dividends and 7% for interest payments once approvals have been obtained from the relevant tax authorities.

Pursuant to the Notice on the Several Issues of the Implementation of Tax Treaty (《國家税務總局關於執行税收協定股息條款有關問題的通知》), which was promulgated by the SAT and came into effect on 20 February 2009, the non-resident taxpayer or the withholding agent is required to obtain and keep sufficient documentary evidence proving that the recipient of the dividends meets the relevant requirements for enjoying a lower withholding tax rate under a tax treaty. Pursuant to the Administrative Measures for Tax Treaty Treatment for Non-resident Taxpayers (《非居民納税人享受税收協定待遇管理辦法》), which was promulgated by the SAT on 27 August 2015 and amended on 15 June 2018, and further replaced by the Administrative Measures on Non-resident Taxpayers Enjoying Treaty Benefits (《非居民納税人享受協定待遇管理辦法》), which took effect on 1 January 2020, any nonresident taxpayer satisfying the conditions for enjoying the tax treaty treatment may be entitled to the tax treaty treatment on its own when filing a tax return or making a withholding declaration through a withholding agent, subject to the subsequent administration by the tax authorities.

The Announcement of the State Administration of Taxation on Issues Relating to "Beneficial Owner" in Tax Treaties (《國家税務總局關於税收協定中"受益所有人"有關問題的公告》) issued by the SAT on 3 February 2018 and came into effect on 1 April 2018, provides that the "beneficial owner" shall mean a person who has the ownership and control over the income and the rights and property from which the income is derived. When an individual who is a resident of the treaty counterparty derive dividend income from the PRC, the individual may be determined as a "beneficial owner."

Value-Added Tax

The Interim Provisions on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which was promulgated by the State Council on 13 December 1993, came into effect on 1 January 1994, and last amended on 19 November 2017, and the Implementing Rules of the Interim Provisions on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例實施細則》), promulgated by the Ministry of Finance (the "**MOF**") and became effective on 25 December 1993, and last amended on 28 October 2011, set out that all taxpayers selling goods or providing processing, repairing or replacement services and importing goods in the PRC shall pay a value-added tax. The tax rate for taxpayers engaging in the sales of goods, labour services, tangible movables lease services or the importation of goods shall be 17% unless otherwise stipulated.

According to the Trial Scheme for the Conversion of Business Tax to Value-added Tax (《營業税改徵增值税試點方案》), which was promulgated by the MOF and the SAT, the government launched gradual taxation reforms starting from 1 January 2012, whereby it collected value-added tax in lieu of business tax on a trial basis in regions and industries showing strong economic performance, such as transportation and certain modern service industries.

Furthermore, according to the Notice of the Ministry of Finance and the State Administration of Taxation on Overall Implementation of the Pilot Program of Replacing Business Tax with Value-added Tax (《財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》), all business taxpayers in consumer service industry shall pay value-added tax in lieu of business tax from 1 May 2016.

REGULATIONS ON THE MANAGEMENT OF LEASE HOUSING

Pursuant to (i) the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on 5 July 1994, last amended on 26 August 2019 and took effect on 1 January 2020, and (ii) the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development on 1 December 2010 and came into effect on 1 February 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both the lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located. If the lessor and lessee fail to go through the registration and filing procedures, both lessor and lessee may be subject to fines.

Regulations Related to Employment and Social Welfare

The Labour Law of the PRC (《中華人民共和國勞動法》) was promulgated by the SCNPC on 5 July 1994, came into effect on 1 January 1995 and was amended on 27 August 2009 and 29 December 2018, pursuant to which the employer must establish and improve the safety and health system for labour, strictly enforce the national regulations and standards on safety and health of labour and educate the employee on their safety and health. The employer must provide the employee with safe and healthy conditions for labour in compliance with the national regulations and relevant protective provisions for labour force.

According to the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》), promulgated by the SCNPC on 29 June 2007, came into effect on 1 January 2008, amended on 28 December 2012 and came into effect on 1 July 2013, when the employer and the employee enter into a labour relationship, they should enter into a labour contract in writing. The employer shall not force the employee to work overtime. Overtime payment for overtime work arranged by the employer shall be paid to the employee according to the relevant national regulations. Moreover, remuneration shall not be lower than the local minimum wage standard and remuneration must be paid to the employee on a timely basis.

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the SCNPC on 28 October 2010, which was amended and came into effect on 29 December 2018, the Interim Regulations on Payment of Social Insurance Fees (《社會保險費徵繳暫行條例》) (State Council Order No. 259) that came into effect on 22 January 1999 and were amended on 24 March 2019, the Pilot Measures for Maternity Insurance of Employees of Enterprises (《企業職工生育保險試行辦法》) (Lao Bu Fa [1994] No. 504) that came into effect on 1 January 1995, and the Regulations of Work Injury Insurance (《工傷保險條例》) (State Council Order No. 586) that came into effect on 1 January 2004 and were

amended on 20 December 2010, the employer must pay timely and full amount contributions to pension insurance, unemployment insurance, medical insurance, work injury insurance and maternity insurance (which has been combined with medical insurance) for employees. Those that do not complete registration for social insurance will be ordered by the social insurance administration authority to rectify within a prescribed period of time. If no rectification is made within the prescribed period, a fine will be imposed on the employer equivalent to one to three times the social insurance fees payable, and the directly responsible person-in-charge and other directly responsible officers will be imposed a fine of RMB500 to RMB3,000. If the employer fails to make timely and full amount payment of social insurance fees, the collection authority of social insurance fees will impose an order of payment within a prescribed period of time for the outstanding or shortfall amount, and commencing from the due date, a late payment of 0.05% per day will be imposed; if no payment is made thereafter, the relevant administrative authority will impose a fine equivalent to one time to three times of the outstanding amount.

According to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on 3 April 1999, which were amended on 24 March 2002 and were amended and came into effect on 24 March 2019, the employer shall register with the Housing Provident Fund Management Center for making a contribution to the housing provident fund. After review and registration by the Housing Provident Fund Management Center, the employer shall complete the housing provident fund account opening procedure for its employees at the authorized bank. The employer shall transfer its contribution amount and the employee contribution amount on behalf of the employees to the specific housing provident account within five days from the date of remuneration paid to employees in each month, and the authorized bank will transfer the relevant amount into the housing provident account of each employee. If the employer fails to make a contribution after the due date or fails to make a sufficient contribution, the Housing Provident Fund Management Center will order the employer to make payment within a prescribed period of time; if payment is still outstanding after the due date, an application may be made to the People's Court for enforcement action.

REGULATIONS RELATED TO M&A AND OVERSEAS [REDACTED]

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《商務部關於外國投資者併購境內企業的規定》) (the "**M&A Rules**"), was promulgated by six PRC ministries including MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the SAMR, China Securities Regulatory Commission (the "**CSRC**"), and the SAFE on 8 August 2006, became effective on 8 September 2006, and was amended and became effective on 22 June 2009. The M&A Rules stipulate that a foreign investor is required to obtain necessary approvals when it: (1) acquires the equity of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (2) subscribes for the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (3) establishes a foreign-invested enterprise through which it purchases the assets of any domestic enterprise and operates these assets; or (4) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign-invested enterprise.

Pursuant to the Notice of the Foreign Investment Administration of the MOFCOM on Distributing the Manual of Guidance on Administration for Foreign Investment Access (2008 Edition) (《商務部外資司關於下發<外商投資准入管理指引手冊>(2008年版)的通知》), which was issued and became effective on 18 December 2008 by the MOFCOM, notwithstanding the fact that (1) the domestic shareholder is connected with the foreign investor or not; or (2) the foreign investor is the existing shareholder or the new investor, the M&A Rules shall not apply to the transfer of an equity interest in an incorporated foreign-invested enterprise from the domestic shareholder to the foreign investor.

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》) (the "**Overseas Listing Trial Measures**") and five relevant guidelines on February 17 2023, which took effect on March 31 2023. The Overseas Listing Trial Measures comprehensively reformed the regulatory regime for overseas offering and listing of PRC domestic companies' securities, either directly or indirectly, into a filing-based system. According to the Overseas Listing Trial Measures, the PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to fulfill the filing procedure with the CSRC and report relevant information. The Overseas Listing Trial Measures provides that an overseas listing or offering is explicitly prohibited, if any of the following applies: (i) such securities offering or listing is explicitly prohibited by provisions in PRC laws, administrative regulations or relevant state rules; (ii) the proposed securities offering or listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with laws; (iii) the domestic company intending to be listed or offer securities in overseas markets, or its controlling shareholder(s) and the actual controller, have committed 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 be listed or offer securities in overseas markets 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. Where an issuer submits an application for initial public offering to competent overseas regulators, filing application with the CSRC shall be submitted within three business days thereafter. Subsequent securities offering of an issuer in the same overseas market where it has previously offered and listed securities shall be filed with the CSRC within three business days after the offering is completed. Subsequent securities offering and listing of an issuer in other overseas markets shall be filed as initial public offering. Moreover, upon the occurrence of any of the material events specified below after an issuer has offered and listed securities in an overseas market, the issuer shall submit a report thereof to CSRC within three working days after the occurrence and public disclosure of the event: (i) change of control; (ii) investigations or sanctions imposed by overseas securities regulatory agencies or other relevant competent authorities; (iii) change of listing status or transfer of listing segment; (iv) voluntary or mandatory delisting. Where an issuer's main business undergoes material changes after overseas offering and listing, and is therefore beyond the scope of business stated in the filing documents, such issuer shall submit to the CSRC an ad hoc report and a relevant legal opinion issued by a domestic law firm within three working days after occurrence of the changes.

On February 24 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic 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》) (the "Provision on Confidentiality"), which took effect on March 31 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State.