Our business operations are subject to extensive supervision and regulation from the PRC government. This section sets out a summary of the main laws and regulations applicable to our business in PRC.

REGULATIONS RELATING TO CORPORATION AND FOREIGN INVESTMENT

The establishment, operation and management of corporate entities in the PRC is governed by the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the National People's Congress of the PRC (the "**SCNPC**") on December 29, 1993 and came into effect on July 1, 1994, and last amended on October 26, 2018. The Company Law of the PRC generally governs two types of companies, namely limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of shareholders of a limited liability company or a joint stock limited company is limited to the amount of registered capital they have contributed. The Company Law of the PRC shall also apply to foreign-invested companies in form of limited liability company or joint stock limited company. Where laws on foreign investment have other stipulations, such stipulations shall apply.

On January 1, 2020, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**") and the Regulations on the Implementation of the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) became effective and simultaneously replaced the trio of prior laws regulating foreign investment in China, namely, 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》), together with their implementation rules and ancillary regulations. The FIL sets out the definition of foreign investment and the framework for promotion, protection and administration of foreign investment activities. The FIL does not explicitly classify whether variable interest entities that are controlled through contractual arrangements would be deemed as foreign invested enterprises if they are ultimately "controlled" by foreign investors. However, it has a catch-all provision under definition of "foreign investment" that includes investments made by foreign investors in China through other means as provided by laws, administrative regulations of the State Council. Therefore, it still leaves leeway for future laws, administrative regulations or provisions of the State Council to provide for contractual arrangements as a form of foreign investment. On December 30, 2019, the Ministry of Commerce of the PRC (the "**MOFCOM**") and the State Administration for Market Regulation (the "**SAMR**") jointly promulgated the Measures for Reporting of Information on Foreign Investment (《外商投資信息報告辦法》), which came into effect on January 1, 2020 and pursuant to which, the establishment of the foreign invested enterprises, including establishment through purchasing the equities of a domestic enterprise or subscribing the increased capital of a domestic enterprise, and its subsequent changes are required to submit an initial or change report through the Enterprise Registration System.

Pursuant to the FIL, China has adopted a system of national treatment which includes a negative list with respect to foreign investment administration. The negative list will be issued by, amended or released upon approval by the State Council, from time to time. The negative list will set forth industries in which foreign investments are prohibited and industries in which foreign investments are restricted. Foreign investment in prohibited industries is not allowed, while foreign investment in restricted industries must satisfy certain conditions stipulated in the negative list. Foreign investments and domestic investments in industries outside the scope of the prohibited industries and restricted industries stipulated in the negative list will be treated equally. The Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021 Version) (《外商投資准入特別管理措施(負面清單)(2021年版)》) (the "**Negative List**"), which were promulgated by the National Development and Reform Commission of the PRC (the "**NDRC**") and the MOFCOM on December 27, 2021 and

became effective on January 1, 2022 and the Catalog of Industries for Encouraging Foreign Investment (2020 Version) (《鼓勵外商投資產業目錄(2020年版)》) (the "**Encouraging Catalog**"), which was promulgated by the NDRC and the MOFCOM on December 27, 2020 and became effective on January 27, 2021, replaced previous negative list including the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2020 Version) (《外商投資准入特別管理措施(負面清單) (2020年版)》) and encouraging catalog and listed the categories of encouraged, restricted, and prohibited industries. Pursuant to the Negative List, value-added telecommunication services fall into the restricted category and the foreign investment in value-added telecommunications services shall not exceed 50% (excluding e-commerce business, domestic multi-party communications, store-and-forward and call centers).

REGULATIONS RELATING TO VALUE-ADDED TELECOMMUNICATIONS SERVICES

Pursuant to the Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the "**Telecommunications Regulations**") promulgated by the State Council on September 25, 2000, amended on July 29, 2014 and February 6, 2016, which provide a regulatory framework for telecommunications services providers in the PRC, telecommunications services are categorized into basic telecommunications services and value-added telecommunications services and the telecommunications services providers are required to obtain operating licenses prior to the commencement of their operations. Pursuant 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, internet information services we provide are classified as value-added telecommunications services.

The Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) (the "**Internet Measures**") which were promulgated by the State Council on September 25, 2000 and amended on January 8, 2011, set out the guidelines on the provisions of Internet information services. The Internet Measures 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 appropriate telecommunications authorities. The content of the Internet information is highly regulated in the PRC and pursuant to the Internet Measures, the Internet information services operators are required to monitor their websites. The PRC government may order the holder of value-added telecommunications business operation license (《增值電信業務經營許可證》) for internet information service ("**ICP License**") that violates the content restrictions to correct those violations and revoke their ICP Licenses.

Pursuant to 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 were promulgated by the State Council on February 6, 2016, the foreign-invested value-added telecommunications enterprises in the PRC are required to be established as sino-foreign equity joint ventures, which the foreign investors may acquire up to 50% of the equity interests of such enterprise. In addition, the major foreign investor who invests in a foreign-invested value-added telecommunications enterprise operating the value-added telecommunications business in the PRC must demonstrate a good track record and experience in operating a value-added telecommunications business. Moreover, foreign invested enterprises that meet these requirements must obtain approvals from the Ministry of Industry and Information Technology of the PRC (the "**MIIT**") for their commencement of value-added telecommunications business in the PRC. On April 7, 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 makes amendments to the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (2016 Revision) with effect from May 1, 2022. The amendments include, among other things, removing the track record and experience requirements for major foreign

investor that invests in PRC companies conducting value-added telecommunication business as set out in the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (2016 Revision).

On July 13, 2006, the Ministry of Information Industry of the PRC (the "**MII**", which is the predecessor of MIIT) promulgated the Circular on Strengthening the Administration of Foreign Investment and Operation of Value-added Telecommunications Business (《關於加強外商投資經營增值電信業務管理的通知》) (the "**MIIT Circular**"), pursuant to which, a domestic company that holds a value-added telecommunications business operation licenses is prohibited from leasing, transferring or selling the license to foreign investors in any form, and from providing any assistance, including providing resources, sites or facilities, to foreign investors that conduct value-added telecommunications business illegally in China. In addition, under the MIIT Circular, the Internet domain names and registered trademarks used by a foreign-invested value-added telecommunications service operator shall be legally owned by that operator or its shareholders.

REGULATIONS RELATING TO PHARMACEUTICAL RETAIL INDUSTRY

General Regulations relating to Drugs Operation

Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "**Drug Administration Law**"), which was promulgated by the SCNPC, and came into effect on July 1, 1985, and was recently amended on August 26, 2019 and came into effect on December 1, 2019, provides the legal framework for the administration of the production and sale of pharmaceutical products in the PRC and covers the manufacturing, distributing, registration, packaging, pricing and advertising of pharmaceutical products in the PRC. According to the Drug Administration Law, no pharmaceutical operation, including pharmaceutical whole sale and pharmaceutical retail business, is permitted without obtaining the Pharmaceutical Operation License. The Implementation Rules for the Drug Administration Law of the PRC (《中華人民共和國藥品管理法實施條例》), were promulgated by the State Council in August 2002 and amended in 2016 and 2019, which emphasized the detailed implementation rules of drugs administration. On May 9, 2022, the NMPA published the Implementing Regulations of the Drug Administration Law of the PRC (Revised Draft for Comment) (《中華人民共和國藥品管理法實施條例（修訂草案徵求意見稿）》, which provided more detailed implementation rules and requirements on drugs administration, including requirements on online drug transactions, for example, the third-party platform providers for online drug transactions shall not directly participate in drug sales activities. The State Food and Drug Administration (which is the predecessor of the China Food and Drug Administration, or the "**CFDA**", and CFDA is the predecessor of the National Medical Products Administration, or the "**NMPA**") promulgated the Measures for the Administration of Pharmaceutical Operation License (《藥品經營許可證管理辦法》) in February 2004 and amended in 2017, which stipulate the procedures for applying the Pharmaceutical Operation License and the requirements and qualifications for pharmaceutical wholesalers or pharmaceutical retailers with respect to their management system, personnel, facilities and etc. The valid term of the Pharmaceutical Operation License is five years.

According to the Administrative Measures for the Supervision and Administration of Circulation of Pharmaceuticals (《藥品流通監督管理辦法》), promulgated by the NMPA in January 2007 and effective in May 2007, pharmaceutical manufactures and operation enterprises and medical institutions shall be responsible for the quality of pharmaceuticals they manufacture, provide or use. The operation of prescription drugs is highly regulated under these rules. Prescription drugs may not be sold by pharmaceutical retail enterprises without valid prescriptions. In addition, a pharmaceutical manufacture or operation enterprise shall not sell prescription drugs directly to the public by post or over internet.

Furthermore, according to the Good Supply Practice for Pharmaceutical Products (《藥品經營質量管理規範》), promulgated by the NMPA in April 2000 and amended in 2012, 2015 and 2016 respectively, the pharmaceutical operation enterprises shall take effective quality control measures over the process of procurement, storage, transportation and sale of drugs in order to ensure their quality.

Regulations relating to Prescription Drugs Operation

According to the Measures on Prescription Drugs and OTC Drugs Classification Management (Trial) (《處方藥與非處方藥分類管理辦法(試行)》) and the Interim Provisions on the Circulation of Prescription and OTC Drugs (《處方藥與非處方藥流通管理暫行規定》), which were both promulgated by the State Drug Administration, which was restructured and integrated into the NMPA, in 1999 and became effective in January 2000, drugs are divided into prescription drugs and OTC drugs. For prescription drugs, the dispensing, purchase and use can only be based on the prescription issued by the certified medical practitioner or certified medical assistant practitioner. In addition, the prescription drugs can only be advertised and promoted in professional medical magazines. OTC drugs, on the other hand, are further divided into Class A and Class B and they both can be purchased and used without a prescription, and promoted in public upon approval by the relevant governmental authorities. The pharmaceutical wholesale enterprises distributing prescription drugs and/or OTC drugs, as well as pharmaceutical retail enterprises selling prescription drugs and/or Class A OTC drugs are required to obtain the Pharmaceutical Operation License.

According to Drug Administration Law, enterprises engaging in drug retail shall verify prescriptions, and drugs listed in a prescription shall not be arbitrarily changed or substituted. Where a prescription has incompatibility or excessive dosage, the pharmacist shall refuse to dispense, the prescription may be dispensed only upon correction or resigning by the prescribing physician if necessary. The newly revised Drug Administration Law in 2019 abolishes the restriction on online sale of prescription drugs and adopts the principle of keeping online and offline sales consistent, except that the drugs which are subject to the state's special control may not be distributed online, such as vaccines, blood products, narcotic drugs, psychotropic drugs, toxic drugs for medical use, radioactive drugs and pharmaceutical precursor chemicals.

Regulations relating to Pharmacists

On June 18, 2021, the National Medical Products Administration promulgated the Administrative Measures for the Registration of Licensed Pharmacists (《執業藥師註冊管理辦法》), which came into effective on June 18, 2021, and repealed the Interim Administrative Measures for the Registration of Licensed Pharmacists (Guo Yao Guan Ren [2000] No.156) issued by the former State Drug Administration and the Supplementary Opinions on the Interim Administrative Measures for the Registration of Licensed Pharmacists (Guo Shi Yao Jian Ren [2004] No.342), the Supplementary Opinions on the Interim Administrative Measures for the Registration of Licensed Pharmacists (Shi Yao Jian Ren Han [2008] No.1) and several other regulations. The Administrative Measures for the Registration of Licensed Pharmacists (《執業藥師註冊管理辦法》) shall apply to the registration of licensed pharmacists and related supervision and administration, pursuant to which, a person who holds a Licensed Pharmacist Professional Qualification Certificate of the PRC may practice as a licensed pharmacist only after being registered and having obtained a Licensed Pharmacist Registration Certificate of the PRC. Licensed pharmacists shall be responsible for drug administration, prescription verification and dispensing, guidance on rational drug use, and other work in accordance with the law.

Regulations relating to Internet Drug Information Service

Pursuant to the Administrative Measures on Internet Drug Information Services (《互聯網藥品信息服務管理辦法》) promulgated by the NMPA on July 8, 2004 and amended on November 17, 2017, the Internet drug information services, i.e. provision of information of drugs and medical devices through the Internet, are classified into commercial Internet drug information services and non-commercial Internet drug information services. The competent food and drug authority reviews the website operated by an entity that applies for providing Internet drug information services and issues the Internet Drug Information Service Certificate to such entity once meets the requirements.

Regulations relating to Medical Devices Operation

The Regulations on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》) (the "**Medical Device Regulations**") which were issued by the State Council in 2000 and recently amended on December 21, 2020 and came into effect on June 1, 2021, regulating entities that engage in the research and development, production, operation, use, supervision and administration of medical devices in the PRC. Medical devices are classified according to their risk levels. Class I medical devices are medical devices with low risks, and the safety and effectiveness of which can be ensured through routine administration. Class II medical devices are medical devices with moderate risks, which are strictly controlled and administered to ensure their safety and effectiveness. Class III medical devices are medical devices with relatively high risks, which are strictly controlled and administered through special measures to ensure their safety and effectiveness. The classification of specific medical devices is stipulated in the Medical Device Classification Catalog (《醫療器械分類目錄》), which was issued by the NMPA on August 31, 2017 and became effective on August 1, 2018 and latest amended and became effective on March 28, 2022.

Pursuant to the Measures for the Supervision and Administration of Medical Devices Operation (《醫療器械經營監督管理辦法》) promulgated by the NMPA on July 30, 2014 and amended on November 17, 2017 and latest amended on March 10, 2022 and became effective from May 1, 2022, licensing or recordation is not required for business activities involving Class I medical devices, while recordation administration shall apply to business activities involving Class II medical devices, and licensing administration shall apply to business activities involving Class III medical devices. An enterprise engaging in the operation of medical devices shall have business premises and storage conditions suitable for the operation scale and scope, and shall have a quality control department or personnel suitable for the medical devices it operates. Also, a quality control system compatible with the medical devices it operates is required, and an enterprise engaging in business activities involving Class III medical devices shall also have a qualified computer information management system in order to ensure the traceability of the products it deals in. An enterprise engaged in the operation of Class II medical devices shall file with the municipal level drug supervision and administration department, and provide proofing materials for satisfying the relevant conditions of engaging in the operation of medical devices, while an enterprise engaged in the operation of Class III medical devices shall apply for an operation permit to the municipal level drug supervision and administration department, and provide proofing materials for satisfying the relevant conditions of engaging in the operation of such medical devices. An operation permit is valid for five years.

Regulations relating to Food Operation

In accordance with the Food Safety Law of the PRC (《中華人民共和國食品安全法》), promulgated on February 28, 2009 and latest amended on April 29, 2021, and the Implementation Regulations of the Food Safety Law of the PRC (《中華人民共和國食品安全法實施條例》), issued on July 20, 2009 and

latest amended on October 11, 2019, and effective on December 1, 2019, with the purpose of guaranteeing food safety and safe guarding the health and life safety of the public, the PRC sets up a system of the supervision, monitoring and appraisal on the food safety risks, compulsory adoption of food safety standards. To engage in food production, sale or catering services, the business operators shall obtain a license in accordance with the laws and regulations. Furthermore, the State Council implements strict supervision and administration for special categories of foods such as health-care food, special formula foods for special medical purposes and infant formula.

Administrative Measures for Food Operation Licensing (《食品經營許可管理辦法》) promulgated by the NMPA on August 31, 2015 and amended on November 17, 2017, regulate the food operation licensing activities, strengthen supervision and management of food operation, and ensure food safety. Food operation operators shall obtain the food operation license for each business venue where they engage in food operation activities. The food operation license is valid for five years.

Regulations relating to Advertisement of Pharmaceutical Products

Pursuant to the Advertisement Law of the PRC (《中華人民共和國廣告法》), which was promulgated by the SCNPC on October 27, 1994 and recently amended and took effect on April 29, 2021, any advertisement for medical treatment, pharmaceuticals or medical devices shall not contain the following items: (i) any assertion or guarantee for efficacy and safety; (ii) any statement on cure rate or effective rate; (iii) comparison of the efficacy and safety with other pharmaceuticals or medical devices or with other medical institutions; (iv) using of advertising representatives for endorsements or testimonials; (v) other items as prohibited by laws and administrative regulations.

Pursuant to the Interim Administrative Measures for Censorship of Advertisements for Drugs, Medical Devices, Dietary Supplements and Formula Foods for Special Medical Purpose (《藥品、醫療器械、保健食品、特殊醫學用途配方食品廣告審查管理暫行辦法》), which were promulgated by the SAMR on December 24, 2019, effective on March 1, 2020, an enterprise seeking to advertise its drugs, medical devices, dietary supplements or formula foods for special medical purpose must apply for an advertisement approval number. The validity period of the advertisement approval number concerning a drug, medical device, dietary supplement or food for special medical purpose shall be consistent with that of the registration certificate or record-filing certificate or the production license of the product, whichever is the shortest. Where no validity period is set forth in the registration certificate, record-filing certificate or the production license of the product, the advertisement approval number shall be valid for two years. The content of an approved advertisement may not be altered without prior approval.

REGULATIONS RELATING TO PRODUCT LIABILITY AND CONSUMER PROTECTION

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) promulgated on February 22, 1993 and latest amended on December 29, 2018 by the SCNPC, the seller shall be responsible for the repair, replacement or return of the product sold if (i) the product sold does not possess the properties for use that it should possess, and no prior and clear indication is given of such a situation; (ii) the product sold does not conform to the applied product standard as carried on the product or its packaging; or (iii) the product sold does not conform to the quality indicated by such means as a product description or physical sample. If a consumer incurs losses as a result of purchased product, the seller shall compensate for such losses.

On May 28, 2020, the Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") was adopted by the National People's Congress (the "**NPC**"), which became effective on January 1, 2021,

according to which, a manufacturer or a commercial seller is subject to liability for harm to persons or property caused by the product defects. The infringed may seek compensation from the manufacturer or the commercial seller. Where the infringed seeks compensation from the commercial seller, the commercial seller shall have the right to make a claim against the liable manufacturer after it has made compensation.

The Law of the PRC on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) was promulgated on October 31, 1993 and was amended on August 27, 2009 and October 25, 2013, to protect consumers' rights when they purchase or use goods and accept services. All business operators must comply with this law when they manufacture or sell goods and/or provide services to customers. Under the amendments made on October 25, 2013, all business operators must pay high attention to protecting customers' privacy and must strictly keep confidential any consumer information they obtain during their business operations. In addition, in extreme situations, pharmaceutical product manufacturers and operators may be subject to criminal liability if their goods or services lead to the death or injuries of customers or other third parties.

REGULATIONS RELATING TO PRICE CONTROL OF DRUGS

According to the Circular on Issuing the Opinions on Promoting the Drug Pricing Reform (《關於印發推進藥品價格改革意見的通知》 promulgated by the National Development and Reform Commission and other six governmental authorities in 2015, except for narcotic drugs and Class I psychotropic drugs, the prices of drugs previously set by the government were cancelled from June 1, 2015. Instead of direct price controls which were historically used in the PRC, the government regulates prices mainly by establishing a centralized procurement mechanism, revising medical insurance reimbursement standards and strengthening regulation of medical and pricing practices.

According to the Notice on Issuing Certain Regulations on the Trial Implementation of Centralized Tender Procurement of Drugs by Medical Institutions (《關於印發醫療機構藥品集中招標採購試點工作若干規定的通知》) promulgated in July 2000 and the Notice of the State Drug Administration on Further Improvement on the Implementation of Centralized Tender Procurement of Drugs by Medical Institutions (《國家藥品監督管理局關於進一步做好醫療機構藥品集中招標採購工作的通知》) promulgated in August 2001, non-profit medical institutions established by county or higher level government are required to implement centralized tender procurement of drugs. The Working Regulations of Medical Institutions for Procurement of Drugs by Centralized Tender and Price Negotiations (for Trial Implementation) (《醫療機構藥品集中招標採購和集中議價採購工作規範(試行)》), promulgated in March 2002, provides rules for the tender process and negotiations of the prices of drugs, operational procedures, a code of conduct and standards or measures of evaluating bids and negotiating prices. The Notice of the Financial Planning Department of Ministry of Health on Issue of Opinions on Further Regulating Centralized Procurement of Drugs by Medical Institutions (《衛生部財務規劃司關於印發<進一步規範醫療機構藥品集中採購工作的意見>的通知》) was promulgated in January 2009, according to which, non-profit medical institutions owned by the government at the county level or higher or owned by state-owned enterprises (including state-controlled enterprises) shall purchase pharmaceutical products by online centralized procurement. Each provincial government shall formulate its catalog of drugs subject to centralized procurement. Except for (i) drugs in the National Essential Drug List (the procurement of which shall comply with the relevant rules on National Essential Drug List), and (ii) certain pharmaceutical products which are under the national government's special control (such as toxic, radioactive and narcotic drugs and traditional Chinese medicines), in principle, all drugs used by non-profit medical institutions shall be covered by the catalog of drugs subject to centralized procurement. The Notice on the Working Regulations of Medical Institutions for Centralized Procurement of Drugs (《關於印發醫療機構藥品集中採購工作規範的通知》) promulgated in July 2010 further regulated the centralized procurement of drugs and clarified the code of

conduct of the parties in centralized drug procurement. The Instructions on Improvement of Centralized Procurement of Drugs of Public Hospitals (《關於完善公立醫院藥品集中採購工作的指導意見》) promulgated in February 2015 clarified seven specific instructions on the centralized procurement of drugs. The Notice on Centralized Procurement of Drugs Negotiated (《關於做好國家談判藥品集中採購的通知》) promulgated in April 2016 further improved the mechanism of price negotiation of drugs. In January 2017, Opinions on Improvement of the Policy of Production, Circulation and Use of Drugs (《關於進一步改革完善藥品生產流通使用政策的若干意見》) was promulgated to deepen the reform of the medicine health system, improve the quality of the drug and regulate the circulation and use of drugs. In January 2019, the promulgated Pilot Plan of Centralized Procurement and Use of the Drug Organized by the State (《關於印發國家組織藥品集中採購和使用試點方案的通知》) improved the pricing mechanism of drugs, which also further regulates the scope and mode of centralized procurement. In February 2019, the National Healthcare Security Administration issued the Opinions on Supporting Measures of the Pilot Programme of Centralized Drug Purchase and Use Organized by the State (《關於國家組織藥品集中採購和使用試點醫保配套措施的意見》) which provides supporting measures for the medical security department to implement the pilot work of the centralized procurement and use of drugs organized by the State. In September 2019, National Healthcare Security Administration and other eight government authorities issued the Implementation Opinions on Region Expansion of the Organization of Centralized Procurement and Use of Drugs by the State (《關於國家組織藥品集中採購和使用試點擴大區域範圍的實施意見》), which expand the pilot program to wider areas, further reduce the medication burden of the masses and intensify reform and innovation. In January 2021, the General Office of the State Council has further published an updated policy Opinion on Promoting the Normalization and Institutionalization of Centralized Volume-Based Procurement of Drugs (《國務院辦公廳關於推動藥品集中帶量採購工作常態化制度化開展的意見》) to solidify the centralized procurement scheme, pursuant to which emphasis shall be placed on including drugs that are listed in the Drug Catalog for Basic Medical Insurance with large consumption and high procurement price in the procurement scope, and gradually covering various drugs which are clinically necessary and reliable. In principle, all holders registration certificates of drugs falling under the scope of the centralized volume-based procurement and meet the requirements for the centralized volume-based procurement in terms of quality standards, production capacity, and supply stability, may participate in such procurement. All public medical institutions shall participate in the centralized volume-based drug procurement.

REGULATIONS RELATING TO NATIONAL MEDICAL INSURANCE PROGRAM

Pursuant to the Notice of Opinion on the Diagnosis and Treatment Management, Scope and Payment Standards of Medical Service Facilities Covered by the National Urban Employees Basic Medical Insurance Scheme (《關於印發<城鎮職工基本醫療保險診療項目管理、醫療服務設施範圍和支付標準意見>的通知》) promulgated on June 30, 1999, part of the fees of diagnostic and treatment devices and diagnostic tests would be paid through the basic medical insurance scheme. Detailed reimbursement coverage and rate are subject to provincial local policies. Pursuant to the Decision on the Establishment of the Urban Employee Basic Medical Insurance Program (《關於建立城鎮職工基本醫療保險制度的決定》) issued by the State Council on December 14, 1998, the Notice of Opinions on the Establishment of the New Rural Cooperative Medical System (《關於建立新型農村合作醫療制度意見的通知》) issued by the General Office of the State Council on January 16, 2003, the Guiding Opinions of the State Council about the Pilot Urban Resident Basic Medical Insurance (《國務院關於開展城鎮居民基本醫療保險試點的指導意見》) issued by the State Council on July 10, 2007, and the Opinions on Integrating the Basic Medical Insurance Systems for Urban and Rural Residents (《國務院關於整合城鄉居民基本醫療保險制度的意見》) promulgated on January 3, 2016, all employees and residents in rural and urban areas would be involved in medical insurance program.

REGULATIONS RELATING TO ANTI-UNFAIR COMPETITION, ANTI-CORRUPTION AND ANTI-BRIBERY

Pursuant to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) promulgated by the SCNPC on April 23, 2019, a business operator shall not resort to bribery to seek a transaction opportunity or competitive advantage by offering money or goods or by any other means, to (i) any employee of the counterparty in a transaction, (ii) any entity or individual entrusted by the counterparty in a transaction to handle relevant affairs, or (iii) any other entity or individual that takes advantage of powers or influence to influence a transaction. A business operator may expressly offer a discount to the counterparty or pay commissions to the intermediaries of a transaction in the course of transaction activities, which shall be properly recorded at both parties' accounting books. Any commercial bribery committed by an employee of a given operator will be deemed as conduct of such operator unless such operator has evidence that such act is not related to such operator's efforts in seeking a transaction opportunity or competitive advantage.

REGULATIONS RELATING TO 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 came into 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.

A business operator with a dominant market position may not abuse its dominant market position to conduct acts such as selling commodities at unfairly high prices or buying commodities at unfairly low prices, selling products at prices below cost without any justifiable cause, or refusing to trade with a trading party without any justifiable cause. Penalties for the violations of the prohibition on the abuse of dominant market position include an order to cease the relevant activities, confiscation of the illegal gains and fines (from 1% to 10% of sales revenue from the previous year). On June 26, 2019, the SAMR issued the Interim Provisions on the Prohibitions of Acts of Abuse of Dominant Market Positions (《禁止濫用市場支配地位行為暫行規定》), which took effect on September 1, 2019 and was amended on March 24, 2022 and then came into effect on May 1, 2022 to further prevent and prohibit the abuse of dominant market positions. 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 which, the term "platform" refers to a form of business organization that enables interdependent two or multilateral entities to interact under the rules provided by a specific medium through network information technology, to jointly create value. Antimonopoly law enforcement authorities shall adhere to the following principles when carrying out anti-monopoly supervision and administration over the platform economy sector: to protect fair market competition, to achieve efficient supervision pursuant to law, to stimulate innovation and to safeguard legitimate rights and interests of various market players.

REGULATIONS RELATING TO INTERNET SECURITY

Internet information in China is regulated and restricted from a national security standpoint.

The SCNPC, enacted the Decisions on Maintaining Internet Security (《關於維護互聯網安全的決定》) on December 28, 2000, amended on August 27, 2009, which may subject violators to criminal punishment in China for any effort to: (i) gain improper entry into a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false

commercial information; or (v) infringe intellectual property rights. The Ministry of Public Security of the PRC has promulgated the Administration Measures on the Security Protection of Computer Information Network with International Connections (《計算機信息網絡國際聯網安全保護管理辦法》) on December 16, 1997 and the State Council of the PRC has amended it on January 8, 2011 to prohibit use of the Internet in ways which, among other things, result in a leakage of state secrets or infringement of the legitimate rights and interests of the state, the society, the community or the citizens.

On November 7, 2016, the SCNPC promulgated the Cyber Security Law of the PRC, or the Cyber Security Law (《網絡安全法》), which became effective on June 1, 2017. The Cyber Security Law requires network operators to comply with laws and regulations and fulfill their obligations to safeguard security of the network when conducting business and providing services. The Cyber Security Law further requires network operators to take all necessary measures in accordance with applicable laws, regulations and compulsory national requirements to safeguard the safe and stable operation of the networks, respond to cyber security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data.

On April 13, 2020, the Cyberspace Administration of China, the NDRC, the MIIT, the Ministry of Public Security and eight other government departments jointly issued the Measures for Cyber Security Reviews(2020)(《網絡安全審查辦法》（2020）) or Measures, which take effective from June 1, 2020, stipulating that the procurement of any network product or service by an operator of critical information infrastructure that affects or may affect national security shall be subject to a cybersecurity review under such Measures. On December 28, 2021, the CAC, jointly with the other 12 governmental authorities, issued the Measures for Cyber Security Reviews (2021) (《網絡安全審查辦法》（2021）), or the MCSR, which became effective on February 15, 2022 and repealed the Measures simultaneously. In accordance with the MCSR, critical information infrastructure operators that intend to purchase internet products and services and online platform operators engaging in data processing activities, that affect or may affect national security, shall be subject to cyber security review. The MCSR further elaborates on the factors to be considered when assessing national security risks of the relevant objects or situations, including, among others: (i) the risk of core data, important data, or a large amount of personal information being stolen, leaked, destroyed, and illegally used or illegally transferred outside the country, and (ii) the risk of critical information infrastructure, core data, important data, or a large amount of personal information being affected, controlled, or maliciously used by foreign governments, or the risk of cyber information security, each arising from listing. Article 7 of the MCSR stipulates that an online platform operator which possesses personal information of over one million users and intends to "list abroad" (國外上市) shall be subject to cyber security review (original text reads as follows: "掌握超過100萬用戶個人信息的網絡平台運營者赴國外上市，必須向網絡安全審查辦公室申報網絡安全審查").

On November 14, 2021, the CAC promulgated the *Regulation on the Administration of Cyber Data Security (Draft for Comments)*> (網絡數據安全管理條例(徵求意見稿)) or the Draft Cyber Data Security Regulation, which covers a wide range of cyber data security issues and governs the use of networks to carry out data processing activities, as well as the supervision and management of data security in the PRC. It mainly addresses issues discussed in the context of the Cyber Security Law of the PRC (中華人民共和國網絡安全法), the Data Security Law of the PRC (中華人民共和國數據安全法) and the Personal Information Protection Law of the PRC (中華人民共和國個人信息保護法). It sets out general guidelines, protection of personal information, security of important data, security management of cross-border data transfer, obligations of internet platform operators, supervision and management, and legal liabilities. Pursuant to Article 13 of the Draft Cyber Data Security Regulation, data processors shall, in accordance with relevant state provisions, apply for cyber security review when carrying out

the activities including(i) seeking to be listed in Hong Kong that affect or may affect national security and (ii) other data processing activities that affect or may affect national security. However, the Draft Cyber Data Security Regulation provides no further explanation or interpretation for "affect or may affect national security". As of the Latest Practicable Date, the Draft Cyber Data Security Regulation had not been formally adopted yet.

REGULATIONS RELATING TO PERSONAL INFORMATION OR DATA PROTECTION

The Data Security Law of the PRC (中華人民共和國數據安全法), promulgated by the Standing Committee of the National People' Congress on June 10, 2021, effective from September 1, 2021, stipulates that data refers to any record of information in electronic or any other form and data processing includes but is not limited to the collection, storage, use, processing, transmission, provision, and public disclosure of data, relevant entities carrying out data processing activities should comply with laws, regulations and codes of ethics, establish and improve the whole process data security management system in the process of data processing and strengthen risk monitoring. Those handling important data shall conduct regular risk assessments and report to the competent authorities. For the entities conducting data processing activities, it is necessary to establish and improve a whole-process data security management system in accordance with the provisions of laws and regulations, organize and carry out data security education and training, and adopt corresponding technical measures and other necessary measures to ensure data security. The user of Internet and other information networks to carry out data processing activities shall perform the above-mentioned data security protection obligations on the basis of the network security level protection system. Violation of the Data Security Law of the PRC may subject the relevant entities or individuals to warning, fines, suspension of business for rectification, revocation of permits or business licenses, and/or even criminal liabilities. Since the Data Security Law of the PRC is relatively new, uncertainties still exist in relation to its interpretation and implementation.

The Ministry of Industry and Information Technology issued the Measures for the Administration of Data Security in the Field of Industry and Information Technology (Trial) (Draft for Solicitation of Comments) （《工業和信息化領域數據安全管理辦法（試行）（徵求意見稿）》） on September 30, 2021 and the Measures for the Administration of Data Security in the Field of Industry and Information Technology (Trial) (Draft for Solicitation of Public Comments) （《工業和信息化領域數據安全管理辦法（試行）（公開徵求意見稿）》） on February 10, 2022, which refine the national data security management system in the field of industry and information technology and clarify the specific requirements for data classification and graded protection, important data management, etc.

On December 29, 2011, the MIIT issued 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 provides that an Internet information service provider may not collect any user's personal information or provide any such information to third parties without such user's consent. Pursuant to the Several Provisions on Regulating the Market Order of Internet Information Services, Internet information service providers are required to, among others, (i) expressly inform the users of the method, content and purpose of the collection and processing of such users' personal information and may only collect such information necessary for the provision of its services; and (ii) properly maintain the users' personal information, and in case of any leak or possible leak of a user's personal information, Internet information service providers must take immediate remedial measures and, in severe circumstances, make an immediate report to the telecommunications regulatory authority.

Pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), issued by the SCNPC in December 2012, and the Order for the Protection of

Telecommunication and Internet User Personal Information (《電信和互聯網用戶個人信息保護規定》), issued by the MIIT in July 2013, any collection and use of any user personal information must be subject to the consent of the user, and abide to the applicable law, rationality and necessity of the business and fall within the specified purposes, methods and scopes in the applicable laws.

In addition, pursuant to Cyber Security Law of the PRC (《網絡安全法》), the "personal information" refers to all kinds of information recorded by electronic or otherwise that can be used to independently identify or be combined with other information to identify individuals' personal information including but not limited to: individuals' names, dates of birth, ID numbers, biologically identified personal information, addresses and telephone numbers, etc. The Cyber Security Law also provides that: (i) to collect and use personal information, network operators shall follow the principles of legitimacy, rightfulness and necessity, disclose rules of data collection and use, clearly express the purposes, means and scope of collecting and using the information, and obtain the consent of the persons whose data is gathered; (ii) network operators shall neither gather personal information unrelated to the services they provide, nor gather or use personal information in violation of the provisions of laws and administrative regulations or the scopes of consent given by the persons whose data is gathered; and shall dispose of personal information they have saved in accordance with the provisions of laws and administrative regulations and agreements reached with users; (iii) network operators shall not divulge, tamper with or damage the personal information they have collected, and shall not provide the personal information to others without the consent of the persons whose data is collected. However, if the information has been processed and cannot be recovered, and thus it is impossible to match such information with specific persons, such circumstance is an exception. Furthermore, under the Cyber Security Law, network operators of key information infrastructure shall store the personal information and important data collected and produced during their operations in the PRC, within the territory of the PRC.

In addition, on May 28, 2020, the NPC adopted the Civil Code, pursuant to which, the personal information of a natural person shall be protected by the law. Any organization or individual shall legally obtain such personal information of others when necessary and ensure the safety of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase or sell, provide or make public personal information of others.

On August 20, 2021, the SCNPC promulgated the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》), or the Personal Information Protection Law, which took effect on November 1, 2021. The Personal Information Law sets forth detail rules on personal information protection requirements, including but not limited to more specific inform and consent requirements in various contexts, enhanced individual' rights, more protective obligations on personal data processors, and enhanced liability of violation of Personal Information Law and privacy litigation. According to the Personal Information Protection Law, personal information refers to any kind of information related to an identified or identifiable natural person as electronically or otherwise recorded, excluding information that has been anonymized. Processing of personal information includes the collection, storage, use, processing, transmission, provision, disclosure, and deletion of personal information. Processing of personal information shall be for a specified and reasonable purpose, and shall be conducted for a purpose directly relevant to the purpose of processing and in a way that has the least impact on personal rights and interests. Collection of personal information shall be limited to the minimum scope necessary for achieving the purpose of processing and shall not be excessive. A personal information processor may process personal information of an individual after acquiring that individual's consent which shall be a voluntary and explicit indication of intent given by such individual on a fully informed basis and shall provide an easy way to withdraw consent. The processor

could also process personal information without the individual' consent in the other circumstances prescribed under the Personal Information Protection Law.

Pursuant to the Regulations for Medical Institutions on Medical Records Management (《醫療機構病歷管理規定》) released on November 20, 2013, and effective from January 1, 2014, the medical institutions and medical practitioners shall strictly protect the privacy information of patients, and any leakage of patients' medical records for non-medical, non-teaching or non-research purposes is prohibited. The NHFPC released the Measures for Administration of Population Health Information (Trial) (《人口健康信息管理辦法(試行)》) on May 5, 2014, which refer the medical health service information as the population healthcare information, and emphasize that such information cannot be stored in offshore servers, and the responsible institutions shall not host or lease offshore servers. Pursuant to the Management Measures of Standards, Safety and Service of National Health and Medical Big Data (Trial) (《國家健康醫療大數據標準、安全和服務管理辦法(試行)》), promulgated by the NHC on July 12, 2018, (i) the National Health Commission (including National Administration of Traditional Chinese Medicine) shall establish mechanisms for healthcare big data sharing, promote healthcare big data sharing and exchange, and lead the establishment of platform for the submission of the healthcare data, the catalog system of information resources and the system for information exchange; (ii) the medical institutions should establish relevant safety management systems, operation instructions and technical specifications to safeguard the safety of healthcare big data generated in the process of health management service or prevention and cure service of diseases, and (iii) healthcare big data should be stored in onshore servers and shall not be provided overseas without safety assessment.

REGULATIONS RELATING TO INSURANCE BROKERAGE

The legal framework for monitoring and administering insuring activities within the territory of the PRC is underpinned by laws and regulations including the Insurance Law of the PRC (《中華人民共和國保險法》) (the "**Insurance Law**") promulgated by the SCNPC on June 30, 1995, effective on October 1, 1995 and last amended on April 24, 2015, and administrative regulations, departmental provisions and other regulatory documents stipulated in accordance with the Insurance Law.

Regulations relating to Insurance Brokerage Business

The Insurance Law provides that an insurance broker is a company that provide intermediary services to insurance policyholders in consideration of commissions in the process of insurance contract formation with insurance companies. The Provisions on the Supervision and Administration of Insurance Brokers (保險經紀人監管規定) (the "**Insurance Brokers Provisions**"), which were promulgated by China Insurance Regulatory Commission (the "**CIRC**", which was merged into China Banking and Insurance Regulatory Commission (the "**CBIRC**")) on February 1, 2018 and became effective on May 1, 2018, specify provisions regarding market access, operation rules, exit from market, industry self-discipline, monitoring and inspection and legal obligations for insurance brokers.

Pursuant to the Insurance Law and the Insurance Brokers Provisions, to operate insurance brokerage business within the territory of the PRC, an insurance broker shall satisfy the requirements stipulated by the CIRC and obtain a license to operate insurance brokerage business. The minimum paid-in registered capital of an insurance broker that conducts business within the province it is registered is RMB10 million, while the minimum paid-in registered capital of a cross-province insurance broker is RMB50 million. The registered capital of an insurance broker must be fully paid in cash by shareholders using their self-owned, true and lawful funds instead of bank loans or other funds not owned by shareholders. In addition, an insurance broker shall set up a designated account book to

record the income and expenditure of the insurance brokerage business. An insurance broker shall open an independent designated account for client funds. The following funds shall only be deposited in the designated account for client funds: (i) insurance premiums paid by policyholders to insurance companies; and (ii) surrender value and pay-outs collected on behalf of policyholders, insured and beneficiaries. An insurance broker shall also open an independent account for commissions it collects.

Pursuant to the Insurance Brokers Provisions, an insurance broker may conduct the following insurance brokerage businesses: (i) making insurance proposals, selecting insurance companies and handling the insurance application procedures for the insurance applicants; (ii) assisting the insured or the beneficiary to claim compensation; (iii) reinsurance brokerage business; (iv) providing consulting services to clients with respect to disaster and damage prevention, risk assessment and risk management; and (v) other business activities approved by the CBIRC.

In February 2013, the CIRC issued the Opinions of the China Insurance Regulatory Commission on Further Exerting the Role of Insurance Brokerage Companies on Promoting the Insurance Innovation (中國保監會關於進一步發揮保險經紀公司促進保險創新作用的意見), pursuant to which the insurance companies and insurance brokerage companies are encouraged to cooperate with each other in development and innovation of insurance products.

Regulation relating to Internet Insurance Business

On July 22, 2015, the CIRC issued the Interim Measures for the Regulation of Internet Insurance Business (互聯網保險業務監管暫行辦法) (the "**Internet Insurance Interim Measures**"), pursuant to which no institutions or individuals other than insurance institutions (namely, insurance companies, insurance agency companies, insurance brokerage companies and other qualified insurance intermediaries) may engage in the internet insurance business. Under the Internet Insurance Interim Measures, insurance institutions are allowed to conduct internet insurance business through both self-operated online platforms and third-party online platforms. Self-operated online platforms refer to online platforms duly set up by insurance institutions. Third-party online platforms refer to online platforms providing network supporting services for internet insurance business activities of insurance consumers and insurance institutions. Both self-operated online platforms and third-party online platforms are required to meet certain conditions and are subject to certain requirements. The Measures for the Regulation of Internet Insurance Business (《互聯網保險業務監管辦法》) (the "**Regulatory Measures**") were promulgated by CBIRC on December 7, 2020, came into effect on February 1, 2021 and repealed the Internet Insurance Interim Measure simultaneously. According to the Regulatory Measures, "Internet insurance business" refers to insurance operating activities such as conclusion of insurance contracts and provision of insurance services that are conducted by insurance institutions relying on the Internet; Internet insurance business shall be carried out by legally established insurance institutions rather than other institutions or individuals. An insurance institution shall sell internet insurance products or provide insurance brokerage and insurance loss adjustment services via its self-operated network platform or the self-operated network platform of any other insurance institution, and the insurance application page shall belong to its self-operated network platform, except where any government department requires policyholders to complete the entry of insurance application information on the network platform prescribed by the government in the public interest. "Self-operated network platform" refers to any network platform being independently operated while enjoying complete data permission, which is legally established by an insurance institution for the purpose of internet insurance business operation; No network platform established by any branch of an insurance institution or any non-insurance institution with a related-party relationship with an insurance institution in terms of equity, personnel, etc., belongs to the category of self-operated network platform. An insurance institution shall continue to raise the level of risk prevention and

control of internet insurance business, improve the risk monitoring, early warning and early intervention mechanism, ensure the independence of the operation of its self-operated network platform.

REGULATIONS RELATING TO CLINICAL TRIALS

The Company offers a one-stop site management organization solution for its clients throughout the entire clinical trial process to ensure the overall efficiency and compliance of clinical trials.

Regulations relating to the Clinical Trials on Drugs

Pursuant to the Measures for the Administration of Drug Registration (Order of the State Administration for Market Regulation No. 27)《藥品註冊管理辦法》(國家市場監督管理總局令第27號), which were promulgated on January 22, 2020 and became effective on July 1, 2020, an applicant shall complete relevant research work in terms of pharmacy, pharmacology and toxicology, and drug clinical trials, etc. before applying for drug marketing registration. Drug clinical trials shall be approved, in which bioequivalence trials shall be filed; a drug clinical trial shall be conducted in a drug clinical trial institution that complies with relevant regulations, and shall conform to the Good Clinical Practice.

The Good Practice for Clinical Trails of Drugs (2020) (《藥物臨床試驗質量管理規範》 (2020)) (the "GCP (2020)") (Announcement of the National Medical Products Administration and the National Health Commission [2020] No. 57, effective on July 1, 2020) is a quality standard for the whole process of clinical drug trials involving protocol design, organization and implementation, monitoring, auditing, recording, analysis, summary and reporting. Pursuant to the GCP (2020), a trial protocol shall be distinct, explicit and operable and may be executed only upon the consent of the ethics committee. An investigator shall abide by the relevant trial protocol during a clinical trial, and each medical judgment or clinical decision-making involved shall be made by clinicians. The investigator and the clinical trial institution shall, when authorizing any individual or entity to undertake clinical trial-related responsibilities and functions, ensure that it has the corresponding qualifications, and establish complete procedures to ensure its performance of clinical trial-related responsibilities and functions and the generation of reliable data; and when authorizing any entity other than the clinical trial institution to undertake the trial-related responsibilities and functions, obtain the relevant sponsor's consent. The quality management system for clinical trials shall cover the whole process of a clinical trial with emphasis on the protection of subjects, reliability of the trial results and compliance with pertinent laws and regulations.

In order to implement the concept of clinical value-oriented and patient-centered research and development and to promote the scientific and orderly development of antitumor drugs, the Center for Drug Evaluation of the NMPA issued the Guiding Principles for Clinical Value-Oriented Clinical Research and Development of Antitumor Drugs (《以臨床價值為導向的抗腫瘤藥物臨床研發指導原則》), or the Guiding Principles, on November 15, 2021. The Guiding Principles provide recommendations for clinical research and development of antitumor drugs from the perspective of patient needs, in order to guide applicants to implement the clinical value-oriented and patient-centered research and development concept during the research and development process.

REGULATIONS RELATING TO FOREIGN EXCHANGE CONTROL

Foreign Currency Exchange

Pursuant to the Foreign Exchange Administrative Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, effective on April 1, 1996 and last

amended on August 5, 2008, and the Administrative Regulations on Foreign Exchange Settlement, Sales and Payment (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996 and effective on July 1, 1996, Renminbi is freely convertible for payments of current account items such as trade and service-related foreign exchange transactions and dividend payments after the relevant financial institutions have reasonably examined the authenticity of the transactions and their consistency with foreign exchange receipts and payments, but are not freely convertible for capital expenditure items such as direct investment, loans or investments in securities outside the PRC unless the approval of the State Administration of Foreign Exchange (the "**SAFE**") or its local counterparts is obtained in advance.

On March 30, 2015, the SAFE promulgated the Circular on Reforming the Administration Measures on Conversion of Foreign Exchange Registered Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular 19**"), which took into effect on June 1, 2015 and replaced the Circular on Issues Relating to the Improvement of Business Operations with Respect to the Administration of Foreign Exchange Capital Payment and Settlement of Foreign-invested Enterprises (《國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知》) (the "**SAFE Circular 142**"). The SAFE further promulgated the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration of 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》) (the "**SAFE Circular 16**") on June 9, 2016, which, among other things, amended certain provisions of the SAFE Circular 19. SAFE Circular 19 and SAFE Circular 16 removed certain restrictions previously provided under SAFE Circular 142 on the conversion by a foreign-invested enterprise of its capital denominated in foreign currency into Renminbi and the use of such Renminbi and allowed foreign invested enterprises to settle their foreign currency-denominated capital at their discretion based on actual needs of their business operations. According to the SAFE Circular 19 and the SAFE Circular 16, the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign-invested company is regulated such that Renminbi capital may not be used for business beyond its business scope or to provide loans to persons other than affiliates unless otherwise permitted under its business scope. Violations of the SAFE Circular 19 or the SAFE Circular 16 could result in administrative penalties.

On January 26, 2017, the SAFE promulgated the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (《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》) (the "**SAFE Circular 3**"), which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, pursuant to the SAFE Circular 3, domestic entities shall make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

On October 23, 2019, the SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Facilitating 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》) (the "**SAFE Circular 28**"), which expressly allows foreign-invested enterprises that do not have equity investments in their approved business scope to use their capital obtained from foreign exchange settlement to make domestic equity investments as long as there is an authentic investment and such investment is in compliance with the foreign investment-related laws and regulations.

Regulations relating to Foreign Exchange Registration of Overseas Investment by PRC Residents

On July 4, 2014, the SAFE promulgated the Notice on Relevant Issues Relating to Domestic Residents' Investment and Financing and Round-Trip Investment through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 37**") for the purpose of simplifying the approval process, and for the promotion of the cross-border investment. Under the SAFE Circular 37, (1) before the PRC residents or entities conducting investment in offshore special purpose vehicles with their legitimate onshore and offshore assets or equities, they must register with local SAFE branches with respect to their investments; and (2) following the initial registration, they must update their SAFE registrations when the offshore special purpose vehicle undergoes material events relating to any change of basic information (including change of such PRC citizens or residents, name and operation term, increases or decreases in investment amount, transfers or exchanges of shares, or mergers or divisions).

The SAFE further promulgated the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies of Foreign Exchange Administration Applicable to 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》) (the "**SAFE Circular 13**") on February 13, 2015, which came into effect on June 1, 2015 and allows PRC residents or entities to register with qualified banks in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. The SAFE and its branches shall perform indirect regulation over the foreign exchange registration via qualified banks. In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be prohibited from distributing profits to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in its ability to contribute additional capital into its PRC subsidiary.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademarks

The Trademark Law of the PRC (《中華人民共和國商標法》) was promulgated in August 1982, and amended on February 22, 1993, October 27, 2001, August 30, 2013, and latest amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Regulations on the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) was promulgated on August 3, 2002 by the State Council and amended on April 29, 2014. The Trademark Law of the PRC and its implementation regulations provide the basic legal framework for the regulations of trademarks in the PRC. In the PRC, registered trademarks include commodity trademarks, service trademarks, collective marks and certificate marks.

Domain Names

Internet domain name registration and related matters are primarily regulated by the Measures on Administration of Domain Names for the Chinese Internet (《中國互聯網絡域名管理辦法》) promulgated by the MII on November 5, 2004 and took into effect on December 20, 2004, which was superseded by the Measures on Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and came into effect on November 1, 2017. Domain name owners are required to register their domain names and the MIIT is in charge of the administration of PRC Internet domain names. The applicants will become the holders of such domain names upon the completion of the registration procedure.

Patents

According to the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, which was last amended on October 17, 2020 and took into effect on June 1, 2021, and its Implementation Rules (Revision 2010) (《中華人民共和國專利法實施細則(2010年修訂)》) which were last amended by the State Council on January 9, 2010 and took into effect on February 1, 2010, the National Intellectual Property Administration is responsible for administering patents in the PRC. The patent administration departments of provincial, autonomous regions or municipal governments are responsible for administering patents within their respective jurisdictions. The Patent Law of the PRC and its implementation rules provide for three types of patents, "invention", "utility model" and "design".

Copyright

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990, implemented on June 1, 1991 and amended on October 27, 2001 , February 26, 2010, and November 11, 2020 (the latest revision came into effective on June 1, 2021), and the Implementing Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) promulgated by the State Council on August 2, 2002, amended on January 8, 2011, and January 30, 2013 (the latest revision became effective on March 1, 2013), the PRC nationals, legal persons, and other organizations shall, enjoy copyright in their works, whether published or not, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. In order to further implement the Regulations for the Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991, and last amended on January 30, 2013, the State Copyright Bureau issued the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) on February 20, 2002, which apply to software copyright registration, license contract registration and transfer contract registration with respect to software copyright.

REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC(《中華人民共和國企業所得税法》) (the "**EIT Law**") which was promulgated on March 16, 2007 and amended on February 24, 2017 and December 29, 2018, a unified income tax rate of 25% will be applied towards foreign investment and foreign enterprises which have set up institutions or facilities in the PRC as well as PRC enterprises. Under the EIT Law, enterprises established outside of China whose ''de facto management bodies'' are located in China are considered ''resident enterprises'' and will generally be subject to the unified 25% enterprise income tax rate as to their global income.

Enterprises that are recognized as high and new technology enterprises in accordance with the Administrative Measures for the Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》) issued by the Ministry of Science, the Ministry of Finance (the "**MOF**") and the State Administration of Taxation (the "**SAT**") are entitled to enjoy a preferential enterprise income tax rate of 15%, under which the validity period of the high and new technology enterprise qualification shall be three years from the date of issuance of the certificate. An enterprise can re-apply for such recognition as a high and new technology enterprise before or after the previous certificate expires.

Value-added Tax

According to the Interim Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which were promulgated by the State Council on December 13, 1993, came into effect on January 1, 1994, and were last amended on November 19, 2017, and the Implementation Rules for the Interim Regulations 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 MOF on December 25, 1993 and amended on December 15, 2008 and October 28, 2011, organizations and individuals engaging in sale of goods or processing, repair and assembly services, sale of services, intangible assets, immovable and importation of goods in the PRC shall be taxpayers of Value-added Tax (the "**VAT**"), and all enterprises and individuals that engage in the sale of goods, the provision of processing, repair and replacement services, the sale of services, intangible assets or immovable properties and the importation of goods within the territory of the PRC must pay value-added tax.

Withholding tax on dividend distribution

Furthermore, pursuant to the EIT Law and the Implementation Rules on the Enterprise Income Tax of the PRC (《中華人民共和國企業所得税法實施條例》) which were promulgated on December 6, 2007 and with effect from January 1, 2008 and amended on April 23, 2019, a withholding tax rate of 10% will be applicable to any dividend payable by foreign-invested enterprises to their non-PRC enterprise investors. In addition, pursuant to the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on August 21, 2006 and applicable in Hong Kong to income derived in any year of assessment commencing on or after April 1, 2007 and in mainland China to any year commencing on or after January 1, 2007, a company incorporated in Hong Kong will be subject to withholding income tax at a rate of 5% on dividends it receives from its PRC subsidiaries if it holds a 25% or more of equity interest in each such PRC subsidiary at the time of the distribution, or 10% if it holds less than a 25% equity interest in that subsidiary. According to the Notice of the SAT on Issues regarding the Implementation of Dividend Provisions in Tax Treaties (《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 on February 20, 2009, recipients of dividends paid by PRC enterprises must satisfy certain requirements in order to obtain a preferential income tax rate pursuant to a tax treaty, one such requirement is that the taxpayer must be the "beneficiary owner" of relevant dividends. In order for a corporate recipient of dividends paid by a PRC enterprise to enjoy preferential tax treatment pursuant to a tax treaty, such recipient must be the direct owner of a certain proportion of the share capital of the PRC enterprise at all times during the 12 months preceding its receipt of the dividends. In addition, the Announcement of the State Administration of Taxation on Issues concerning the "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》) promulgated on February 3, 2018 and became effective on April 1, 2018, defined the "beneficial owner" as a person who owns or controls income or the rights or property based on which the income is generated, and introduced various factors to adversely impact the recognition of such "beneficiary owners". On August 27, 2015, the SAT issued the Announcement of the State Administration of Taxation on Promulgation of the "Administrative Measures on Entitlement of Non-residents to Treatment under Tax Treaties" (《國家税務總局關於發佈<非居民納税人享受協定待遇管理辦法>的公告》) , effective on November 1, 2015, and amended on June 15, 2018, and October 14, 2019 (the last amendment came into effect on January 1, 2020), which applies to entitlement to tax treaty benefits by non-resident taxpayers incurring tax payment obligation in the PRC. According to the Administrative Measures on Entitlement of Non-residents to Treatment under Tax Treaties, non-resident taxpayers who make their own declaration shall make self-assessment regarding whether

they are entitled to tax treaty benefits and submit the relevant materials stipulated in Article 7 of the Measures.

REGULATIONS RELATING TO EMPLOYMENT AND SOCIAL WELFARE

The Labor Contract Law

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) which were separately with effect from January 1, 1995 (latest amended on December 29, 2018) and January 1, 2008 (amended on December 28, 2012), respectively, labor contracts shall be concluded if labor relationships are to be established between the employer and the employees.

Social Insurance and Housing Provident Fund

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) which was promulgated on October 28, 2010 and with effect from July 1, 2011 and latest amended on December 29, 2018, and the Interim Regulations on the Collection of Social Insurance Fees (《社會保險費徵繳暫行條例》) issued by the State Council on January 22, 1999 and last amended on March 24, 2019, employees shall participate in basic pension insurance, basic medical insurance and unemployment insurance. Basic pension, medical and unemployment insurance contributions shall be paid by both employers and employees. Employees shall also participate in work-related injury insurance and maternity insurance. Work-related injury insurance and maternity insurance contributions shall be paid by employers rather than employees. Pursuant to the Notice of the General Office of the State Council on Issuing the Plan for the Pilot Program of Combined Implementation of Maternity Insurance and Basic Medical Insurance for Employees (《國務院辦公廳關於印發<生育保險和職工基本醫療保險合併實施試點方案>的通知》) and Opinions of the General Office of the State Council on Comprehensively Promoting the Implementation of the Combination of Maternity Insurance and Basic Medical Insurance for Employees (《國務院辦公廳關於全面推進生育保險和職工基本醫療保險合併實施的意見》) promulgated on January 19, 2017 and March 6, 2019, the maternity insurance and basic medical insurance for employees shall be consolidated. According to the Social Insurance Law of PRC, employers must carry out social insurance registration at the local social insurance agency, provide social insurance and pay or withhold the relevant social insurance premiums for or on behalf of employees. For employers failing to conduct social insurance registration, the administrative department of social insurance shall order them to make corrections within a prescribed time limit; if they fail to do so within the time limit, employers shall have to pay a penalty over one time but no more than three times of the amount of the social insurance premium payable by them. Where an employer fails to pay social insurance premiums in full or on time, the social insurance premium collection agency shall order it to pay or make up the balance within a prescribed time limit, and shall impose a daily late fee at the rate of 0.05% of the outstanding amount from the due date; if still failing to pay within the time limit prescribed, a fine of one time to three times the amount in default will be imposed on them by the relevant administrative department.

Pursuant to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) which were promulgated on April 3, 1999 and amended on March 24, 2002 and March 24, 2019, employers shall timely pay the housing provident fund in full and overdue or insufficient payment shall be prohibited. Employers shall process the housing fund payment and deposit registration in the housing provident fund administrative center. For enterprises who violate the above laws and regulations and fail to apply for housing provident fund deposit registration or open housing provident fund accounts for their employees, the housing provident fund administrative center shall order the

relevant enterprises to make corrections within a designated period. Those enterprises failing to process registration provident fund accounts for their employees within designated period shall be subject to a fine ranging from RMB10,000 to RMB50,000. When enterprises violate those provisions and fail to pay the housing provident fund in full amount as due, the housing provident fund administrative center will order such enterprises to pay up the amount within a prescribed period; if those enterprises still fail to comply with the regulations upon the expiration of the above-mentioned time limit, further application will be made to the People's Court for mandatory enforcement.

Pursuant to the Reform Plan of the State Tax and Local Tax Collection Administration System (《國税地税徵管體制改革方案》), which was promulgated by the General Office of the Communist Party of China and the General Office of the State Council of the PRC on July 20, 2018, from January 1, 2019, all the social insurance premiums including the premiums of the basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance will be collected by the tax authorities. According to the Notice of the General Office of the State Taxation Administration on Conducing the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (《國家税務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》) promulgated on September 13, 2018 and the Urgent Notice of the General Office of the Ministry of Human Resources and Social Security on Implementing the Spirit of the Executive Meeting of the State Council in Stabilizing the Collection of Social Insurance Premiums (《人力資源社會保障部辦公廳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》) promulgated on September 21, 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden to conduct self-collection of historical unpaid social insurance contributions from enterprises. Notice of the State Administration of Taxation on Implementing the Several Measures to Further Support and Serve the Development of Private Economy (《國家税務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》) promulgated on November 16, 2018, repeats that tax authorities at all levels may not organize self-collection of arrears of taxpayers including private enterprises in the previous years.

REGULATIONS RELATING TO M&A RULES AND OVERSEAS LISTING

On August 8, 2006, six PRC regulatory agencies, including the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, SAT, the SAMR, China Securities Regulatory Commission (the "**CSRC**") and the SAFE, issued 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》) (the "**M&A Rules**"), which took into effect on September 8, 2006 and were amended by the MOFCOM on June 22, 2009. The M&A Rules, among other things, require that if an overseas company established or controlled by PRC companies or individuals intends to acquire equity interests or assets of any other PRC domestic company affiliated with such PRC companies or individuals, such acquisition must be submitted to MOFCOM for approval. The M&A Rules also require offshore special purpose vehicles formed for overseas listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals, to obtain the approval of CSRC prior to publicly listing their securities on an overseas stock exchange. After the FIL and its implementation regulations became effective on January 1, 2020, the provisions of the M&A Rules remain effective to the extent they are not inconsistent with the FIL and its implementation regulations.

On December 24, 2021, the CSRC published the Administrative Provisions of the State Council on the Overseas Securities Offering and Listing by Domestic Companies (Draft for Comments) (國務院關於境內企業境外發行證券和上市的管理規定（草稿徵求意見稿）) (the "Draft Administrative Provisions"), and the Administrative Measures for the Filing of Overseas Securities Offering and Listing by Domestic Companies (Draft for Comments) (境內企業境外發行證券和上市備案管理辦法（徵求意見稿）) (the

"Draft Measures for Filing", together with the Draft Administrative Provisions, the "Drafts relating to Overseas Listings"), both of which were open for public comments until January 23, 2022.

Pursuant to the Drafts relating to Overseas Listings, PRC domestic enterprises that directly or indirectly offer or list their securities in an overseas market, which include (i) any PRC joint stock companies; and (ii) any offshore company that conducts its business operations primarily in China and contemplates to offer or list its securities in an overseas market based on its onshore equities, assets or similar interests, are required to file with the CSRC within three business days after submitting their listing application documents to the relevant regulator in the place of intended listing. The Drafts relating to Overseas Listings also stipulate certain circumstances in which overseas listing should not be allowed. Failure to complete the filing under the Draft Administrative Provisions may subject a PRC domestic company to a warning and a fine of RMB1 million to RMB10 million. Under serious circumstances, that PRC domestic company may be ordered to suspend its business until rectification, or its permits or businesses license may be revoked.

As of the Latest Practicable Date, the final version and the effective date of the Drafts relating to Overseas Listings were still subject to change with substantial uncertainty.