A summary of the main PRC laws, rules and regulations applicable to our business and operations is set out below.

PRC LAWS AND REGULATIONS ON COMPANY AND FOREIGN INVESTMENT

Company Law

The establishment, operation and management of corporate entities in the PRC are generally governed by the Company Law of the PRC (《中華人民共和國公司法》, the "**Company Law**"), which was promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on 29 December 1993, became effective on 1 July 1994, and was last amended on 26 October 2018. The Company Law applies to both PRC domestic companies and foreign-invested enterprises, except that for matters otherwise prescribed by PRC laws in relation to foreign investment, such laws shall prevail.

Regulations on Foreign-invested Enterprises

According to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》, the "**Foreign Investment Law**") adopted by the National People's Congress (the "**NPC**") on 15 March 2019 and coming into effect on 1 January 2020, the PRC government implements a system of pre-entry national treatment plus Negative List (as defined below) for the administration of foreign investment. The pre-entry national treatment means that the treatment given to foreign investors and their investments at market access stage of the investment shall not be less favourable than that given to domestic investors and their investments. The Negative List refers to the special administrative measures for the access of foreign investment to specific fields as stipulated by the PRC government. The PRC government gives national treatment to foreign investment unless it is subject to the Negative List. Foreign investors are not allowed to invest in any field prohibited by the Negative List. For any field restricted by the Negative List, foreign investors' investment shall conform to the conditions as stipulated in the Negative List, and foreign investment in fields not included in the Negative List shall be managed according to the principle of equal treatment of domestic investment and foreign investment. The organisation form and structure and operating rules of a foreign-invested enterprise shall be governed by the provisions of the Company Law, the Partnership Enterprise Law of the PRC (《中華人民共和國合夥企業法》) and other relevant laws. Along with the Foreign Investment Law's coming into effect on 1 January 2020, the Law of the PRC on Sino-foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law of the PRC on Wholly Foreign-owned Enterprises (《中華人民共和國外資企業法》) and the Law of the PRC on Sino-foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法》) were repealed simultaneously, and foreign-invested enterprises established in accordance with such laws before the implementation of the Foreign Investment Law may retain their original organisation forms and other aspects for five years upon the implementation of the Foreign Investment Law.

On 26 December 2019, the Implementing Regulations of the Foreign Investment Law (《中華人民共和國外商投資法實施條例》, the "**Implementing Regulations**") was promulgated by the State Council and came into effect on 1 January 2020, which further replaced the Implementing Regulations of the Law of the PRC on Sino-foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法實施條例》), the Interim Provisions on the Joint Operation Period of Sino-foreign Equity Joint Ventures (《中外合資經營企業合營期限暫行規定》), the Rules for the Implementation of the Law of the PRC on Wholly Foreign-owned Enterprises (《中華人民共和國外資企業法實施細則》) and the Rules for the Implementation of the Law of the PRC on Sino-foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法實施細則》). According to the Implementing Regulations, the registration of a foreign-invested enterprise shall be processed pursuant to the law by the market regulation department of the State Council or its authorised local counterparts. A foreign investor or a foreign-invested enterprise shall submit investment information to the competent commerce department via the enterprise registration system and the enterprise credit information publicity system. The Foreign Investment Law and the Implementing Regulations also apply to the investment made by a foreign-invested enterprise in the PRC.

On 30 December 2019, the Ministry of Commerce (the "**MOFCOM**") and the State Administration for Market Regulation jointly promulgated the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》, the "**Reporting Measures**"), which came into effect on 1 January 2020 and replaced the Provisional Measures on Record-filing Administration over the Establishment and Change of Foreign-invested Enterprises (《外商投資企業設立及變更備案管理暫行辦法》) simultaneously. Pursuant to the Reporting Measures, a foreign investor or a foreign-invested enterprise shall report investment information by submitting initial report, changing report, deregistration report, annual report and etc.

The Catalogue of Industries for Guiding Foreign Investment

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 2021**") and the Catalogue of Industries for Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》, the "**Encouraging Catalogue 2022**") were jointly promulgated by the National Development and Reform Commission (the "**NDRC**") and the MOFCOM on 27 December 2021 and 26 October 2022 respectively, and became effective on 1 January 2022 and 1 January 2023 respectively. The Negative List 2021 and the Encouraging Catalogue 2022 enumerate prohibited, restricted and encouraged industries in relation to foreign investment. Foreign investment in the encouraged industries is entitled to certain preferential treatment extended by the PRC government, while foreign investment in the prohibited and restricted industries is subject to special administrative measures for the market access of foreign investment including but not limited to equity requirements and senior manager requirements. According to the Negative List 2021, our PRC subsidiaries do not engage in any restricted industries or prohibited industries for foreign investment.

PRC LAWS AND REGULATIONS ON ADVERTISING INDUSTRY

Advertising Law

The Advertising Law of the PRC (《中華人民共和國廣告法》, the "**Advertising Law**"), which was promulgated by the SCNPC on 27 October 1994, became effective on 1 February 1995, and was amended on 24 April 2015, 26 October 2018 and 29 April 2021, applies to the commercial advertising activities in the PRC whereby product business operators or service providers, through certain media or forms, directly or indirectly introduce the products or services they are marketing. As defined in the Advertising Law, the term "advertisers" refer to any individuals, legal persons or other organisations that, for the purpose of promoting products or services, design, produce and publish advertisements either by themselves or by entrusting others to do so; the term "advertising agents" refer to any individuals, legal persons or other organisations that are entrusted to provide advertising design, production or agency services; the term "advertising publishers" refer to any individuals, legal persons or other organisations that publish advertisements for the advertisers or the advertising agents entrusted by the advertisers. The SAMR and its local counterparts shall be main authorities in charge of the supervision and administration of advertising industry.

According to the Advertising Law, advertisements shall not contain any false or misleading information, and shall not deceive or mislead consumers. Advertising agents shall, in accordance with laws and administrative regulations, examine the relevant supporting documents to verify the content of the advertisements. For any advertisement with inconsistent content or incomplete supporting documents, the advertising agents shall not provide design, production or agent service. Where the advertising agents know or should have known that the content of the advertisements is false but still provide advertising design, production or agent services in connection with the advertisements, they might be subject to penalties, including confiscation of revenue and fines, revocation of business licenses, or even criminal liabilities. Where false advertisements infringe on the rights and interests of consumers and the advertising agents are unable to provide the real name, address and valid contact information of the advertisers, the consumers may require the advertising agents to make compensation in advance. Where such false advertisements are for products or services relating to the life and health of consumers, the advertising agents shall bear joint and several liabilities with the advertisers concerned. Where false advertisements for products or services other than those set out before cause harm to the consumers, in case that the advertising agents know or should have known that the content of the advertisements is false but still provide advertising design, production or agent services, they shall bear joint and several liabilities with the advertisers concerned.

According to the Advertising Law, the display of outdoor advertisements may not: (i) utilise traffic safety facilities or traffic signs; (ii) impede the use of public facilities, traffic safety facilities, traffic signs, fire extinguishing facilities or fire control signs; (iii) obstruct production or people's living, or damage city appearance; (iv) be within building control areas of government offices, cultural landmarks or historical or scenic sites, or within areas prohibited by local governments from installing outdoor advertisements. Administrative measures for outdoor advertisements shall be prescribed by local regulations and rules.

The State Council also promulgated the Regulations on the Administration of Advertisements (《廣告管理條例》) on 26 October 1987 with effect from 1 December 1987 to regulate the advertising activities.

Internet Advertising

According to the Advertising Law, the advertising activities conducted through the Internet shall also be subject to the Advertising Law. The use of Internet to publish or distribute advertisements shall not affect the normal use of the Internet by users. Advertisements published on Internet pages such as pop-up advertisements shall be indicated with conspicuous mark for close to ensure the close of such advertisements by one click.

According to the Interim Measures for the Administration of Internet Advertisements (《互聯網廣告管理暫行辦法》, the "**Internet Advertisement Measures**"), which was promulgated by the State Administration for Industry and Commerce (currently known as the SAMR) on 4 July 2016 and became effective on 1 September 2016, Internet advertisement shall be distinguishable, marked with "advertisement", to enable consumers to identify it as an advertisement. A written contract shall be concluded according to law among Internet advertisers, advertising agents and advertising publishers in the Internet advertising activities. Following activities are prohibited under the Internet Advertisement Measures: (i) providing or using applications and hardware to intercept, filter, cover up, fast forward or restrict in other manners the advertisements lawfully operated by others; (ii) using network access, network equipment and applications to disrupt the normal transmission of advertising data, tampering with or blocking the advertisements lawfully operated by others, or uploading advertisements without permission; or (iii) seeking illegitimate interests or harming the interests of others by using fake statistics, dissemination results or Internet media value to induce a false offer.

On 25 February 2023, the SAMR promulgated the Administrative Measures for Online Advertising (《互聯網廣告管理辦法》) (the "**Administrative Measures**"), which became effective on 1 May 2023 and simultaneously repealed the Internet Advertisement Measures.

Pursuant to the Administrative Measures for Online Advertising, commercial advertising activities conducted within the territory of the PRC that directly or indirectly promote a product or service through websites, internet applications, text, images, audio, video or any other forms, web application or other online media, shall be governed by these measures and the Advertising Law.

Application of the laws and regulations

The Administrative Measures imposes, among others, the following requirements or prohibitions on the publication of advertisements:

(i). advertisements for products or services that are prohibited from being produced or sold by laws and administrative regulations are prohibited;

(ii). advertisements for tobacco (including e-cigarettes) and prescription drugs are prohibited;

(iii). advertisements for medical treatment, drugs, medical devices, pesticides, veterinary drugs, health care food and formula food for special medical purposes shall be reviewed by the relevant regulatory authority before publication;

(iv). where the advertisements relate to introduction of health and wellness knowledge, such advertisements shall not at the same time contain any address, contact information, shopping links or other information of the product or service providers related to medical treatment, drugs, medical devices, health care food and formula food for special medical purposes; and

(v). advertisements for medical treatment, drugs, health care food, formula food for special medical purposes, medical devices, cosmetics, alcohol and online games that are detrimental to the physical and mental health of minors shall not be published on websites and other Internet applications which are targeted at minors.

The Administrative Measures shall apply to, among others, advertising operators (廣告經營者). According to the Advertising Law of the PRC (中華人民共和國廣告法), advertising operators (廣告經營者) refer to natural persons, legal persons or other organisations which are entrusted to provide advertising design, production and agency services. The Group is principally engaged in branding services, traditional offline media advertising services, online media advertising services, event execution and production services and the provision of advertising placement services. For the online media advertising services, our Group would liaise with the relevant advertising resources providers, such as operators of social media platform and advertising agents to place advertisements on the relevant online media platforms for our customers. For the provision of advertisement placement services, our Group has entered into a cooperation agreement with the Media Partner for advertisement placement for our customers including direct advertiser customers and advertising agents on the various online media platforms operated by the Media Partner. Therefore, our Group's online media advertising services and provision for advertisement placement services fall within the scope of advertising operators and therefore is subject to the provisions of the Administrative Measures.

An advertising operator or advertising publisher shall establish, improve and implement systems for the registration, review, file management in respect of their online advertising business. In particular, an advertising operator or advertising publisher shall inspect and verify the information of the advertisers, such as their names, addresses, and valid contact information. They shall maintain and regularly update the electronic record of the advertising activity conducted by them, and such record shall be kept for at least three years from the date on which the relevant advertisement is published. An advertising operator or advertising publisher shall also obtain the relevant supporting documents from the advertisers in relation to the contents of the advertisements. Furthermore, advertising operator and advertising publishers shall cooperate, in accordance with the law, with the investigations of the online advertising industry conducted by Market Regulatory Authority, and provide truthful, accurate and complete information in a timely manner.

Any entity which violates the Administrative Measures may be subject to punishment, including but not limited to fines, confiscation of advertising fees, suspension of advertisement publishing business or revocation of business licence.

Notice on Special Governance of Online Advertising

On 9 February 2018, the State Administration for Industry and Commerce issued the Notice on Special Governance of Online Advertising (《關於開展互聯網廣告專項整治工作的通知》), which stipulates an intensive rectification of the following false and illegal online advertisements with severe social impact, strong public outcry and harm to people's personal and property safety:

(i). illegal online advertisements that involve guiding issues, political sensitivity and harm to national interests;

(ii). false and illegal online advertisements related to food, health products, medicine, medical devices and other products that endanger people's personal safety and health;

(iii). false and illegal online advertisements in financial investments, business promotions, collectibles and other categories that contain deceptive and misleading content, damaging people's financial interests;

(iv). false and illegal online advertisements that disrupt public order, contravene social norms, create a negative social impact and harm the physical and mental health of juveniles; and

(v). other false and illegal online advertisements that have elicited strong public complaints.

Notice on In-Depth Governance of Online Advertising

On 22 March 2019, the State Administration for Market Regulation issued the Notice on In-Depth Governance of Online Advertising (《關於深入開展互聯網廣告整治工作的通知》), which specifically targets the following illegal online advertisements:

(i). illegal Internet advertisements with politically sensitive or vulgar contents;

(ii). advertisements for medicines, medical products and devices and health products that are published without proper examination;

(iii). medicine, medical products and devices and health product advertisements that make illegal claims regarding efficacy, safety, cure rates, effectiveness and utilize advertising spokespersons for endorsement or validation;

(iv). advertisements for food and health products that exaggerate product efficacy and promote disease prevention or treatment functions;

(v). financial investment, financial management, collectibles and business advertisements that make guarantees or imply risk-free or guaranteed returns;

(vi). real estate advertisements that make promises regarding future returns or investment profitability, or engage in misleading promotion regarding transportation, commercial facilities and cultural and educational facilities related to real estate projects;

(vii). advertisements that disrupt public order, violate social norms and create a negative social impact; and

(viii). other false and illegal Internet advertisements that have elicited strong public complaints.

To ensure compliance with the above notices, our media operation department will examine the content of the advertisement to ascertain if the content of the advertisement contains any false or misleading information or contents which are prohibited by laws and regulations. After the review by our media operation department, the content of the advertisement will also be reviewed and approved by the general manager of our Group before they can be published.

Medical Advertising

Pursuant to the Measures for the Administration of Medical Advertisement (醫療廣告管理辦法) promulgated by the State Administration for Industry and Commerce (currently known as the SAMR) on 27 September 1993 and amended on 10 November 2006 with effect from 1 January 2007, no medical advertisement may be published without the Medical Advertisement Examination Certification. Where an advertising agent or publisher intends to publish a medical beauty advertisement, the advertisement examiner thereof shall inspect the relevant Medical Advertisement Examination Certification to verify the content of the advertisement. In addition, pursuant to the Law Enforcement Guideline on Medical Beauty Advertising (醫療美容廣告執法指南) promulgated by the SAMR on 1 November 2021 and effective on the same day, medical beauty advertising belongs to medical advertising. Advertisers must obtain a medical institution practice license in accordance with the law before they can publish or entrust an agency to publish any medical beauty advertisement. To publish a medical beauty advertisement, the advertiser shall obtain the Medical Advertisement Examination Certification according to law; the advertising agency or publisher shall inspect the Medical Advertisement Examination Certification according to law before designing, producing, acting as an agent for or publishing any medical beauty advertisement, and shall publish the advertisement in strict accordance with the approved content.

PRC LAWS AND REGULATIONS ON PERSONAL INFORMATION AND DATA SECURITY

On 20 August 2021, the SCNPC promulgated 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 will become effective on 1 November 2021. The Personal Information Protection Law sets forth that the personal information of natural persons shall be protected by law, and no organization or individual may infringe upon the personal information rights and interests of natural persons. The processing of personal information shall have clear and reasonable purposes, be directly related to the purposes of processing, and be carried out in a way that has minimal impact on personal rights and interests. The collection of personal information shall be limited to the smallest scope necessary for achieving the purpose of processing, and personal information shall not be collected excessively. Personal information processors shall bear responsibility for their personal information processing activities, and adopt necessary measures to safeguard the security of the personal information they process. Otherwise, the personal information processors may be ordered to make correction or suspend or terminate the provision of services, or be imposed confiscation of illegal income, fines or other penalties.

On 10 June 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》, the "**Data Security Law**"), which became effective on 1 September 2021. The Data Security Law clarifies the scope of data to cover a wide range of information records in electronic or other form, and defines data processing as including the collection, storage, use, processing, transmission, provision, disclosure of data. The Data Security Law requires that data collection shall be conducted in a legitimate and proper manner, and theft or illegal collection of data is not permitted. The PRC government shall establish a data classified and categorised protection system. Data concerning national security, lifelines of the national economy, important people's livelihood, and major public interests are core data, and shall be subject to a stricter management system. Data processors shall establish and improve the whole-process data security management rules, organise and implement data security education and trainings, and take appropriate technical measures and other necessary measures to protect data security. In case of data security incidents, responding measures shall be taken immediately, and disclosure to users and report to the competent authorities shall be made in a timely manner.

PRC LAWS AND REGULATIONS ON HIGH AND NEW TECHNOLOGY ENTERPRISES

Pursuant to the Administrative Measures for Recognition of High and New Technology Enterprises (《高新技術企業認定管理辦法》, the "**No. 32 Measure**"), which was promulgated on 14 April 2008 and amended on 29 January 2016 with effect from 1 January 2016 jointly by the Ministry of Science and Technology (the "**MST**"), the Ministry of Finance (the "**MOF**") and the SAT, high and new technology enterprises recognized under the No.32 Measure may apply for enjoying the preferential tax policies in accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and its implementing regulations 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》) and its implementing rules. The No.32 Measure provides for the conditions and procedures for the recognition of a high and new technology enterprise. The qualification of a recognised high and new technology enterprise shall be valid for a term of three years commencing on the date of the issuance of the certificate. Where there is change in the name or any major change to the conditions for recognition (such as a merger, division, reorganization, or change of business, etc.) of a high and new technology enterprise, the enterprise shall report such changes to the recognition department within three months.

PRC LAWS AND REGULATIONS ON INTELLECTURAL PROPERTY

Copyrights

According to the Copyright Law of the PRC《中華人民共和國著作權法》, which was promulgated by the SCNPC on 7 September 1990 and last amended on 11 November 2020 with effect from 1 June 2021, Chinese citizens, legal persons or other organisations 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 created in writing, orally or in other forms. Copyright holders can enjoy multiple rights, including the right of publication, the right of authorship and the right of reproduction. Unless otherwise stipulated by law, anyone who uses others' works shall enter into a licensing contract with the copyright holder.

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), which was issued by the National Copyright Administration on 20 February 2002, came into effect on the same day and was revised on 18 June 2004, regulates the registration of software copyright, the exclusive licensing contract and transfer contracts of software copyright. The National Copyright Administration is mainly responsible for the nationwide registration management of software copyright and designates the Copyright Protection Centre of China as the software registration organization. The Copyright Protection Centre of China will grant certificates of registration to computer software copyright applicants in compliance with the provisions of the Measures for the Registration of Computer Software Copyright and the Regulations on Protection of Computers Software (《計算機軟件保護條例)》) which was promulgated by the State Council on 20 December 2001 and last amended on 30 January 2013 with effect from 1 March 2013.

Domain Name

Domain names are protected under the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the Ministry of Industry and Information Technology (the "**MIIT**") on 24 August 2017 and coming into effect on 1 November 2017. The MIIT is the major regulatory authority responsible for the administration of the PRC Internet domain names. The principle of "first come, first served" is adopted for domain name registration in the PRC.

PRC LAWS AND REGULATIONS ON FOREIGN EXCHANGE

Foreign Exchange Settlement

The principal regulation governing foreign exchange in the PRC is the Regulations of the PRC on Foreign Exchange Administration (《中華人民共和國外匯管理條例》) promulgated by the State Council on 29 January 1996, taking effect on 1 April 1996 and amended on 14 January 1997 and 5 August 2008 respectively. Under the Regulations of the PRC on Foreign Exchange Administration, foreign exchange payments for current account transactions, such as trade and service-related transactions and dividend payments, are not restricted, but shall be based on truthful and legitimate transactions and be made with self-owned foreign exchange or foreign exchange purchased from relevant financial institutions by presenting valid documents. However, foreign exchange payments for capital account transactions, such as overseas direct investment and trading in securities and derivative products abroad are subject to registration with the competent authorities for foreign exchange administration and approval or record-filing with the relevant governmental authorities (if necessary).

According to the Notice of the State Administration of Foreign Exchange on Reforming the Management Approach for the Settlement of Foreign Exchange Capitals 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》) which was promulgated by the SAFE on 30 March 2015 and became effective on 1 June 2015, foreign-invested enterprises shall be allowed to settle their foreign exchange capitals on a discretionary basis. The foreign exchange capitals in a foreign-invested enterprise's capital account, which has been confirmed by the local foreign exchange bureau as the interests of monetary capital contributions or registered with a bank as monetary capital contributions, can be settled at a bank according to such enterprise's actual business needs. For the time being, the proportion for the discretionary settlement of foreign exchange capitals of foreign-invested enterprises is 100%.

According to the Notice of the SAFE on Reforming and Regulating the Administrative Policies on Capital Account Foreign Exchange Settlement (《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》) promulgated on 9 June 2016 and effective as from the same date, policies for the discretionary settlement of foreign exchange income under the capital account by domestic institutions are unified, which means that domestic institutions may settle their foreign exchange receipts under the capital account (including foreign exchange capital, foreign debts and repatriated funds raised through overseas listing) to which the application of discretionary settlement has been specified by relevant policies according to relevant policies with banks as actually needed for business operation. For the time being, the proportion for the discretionary settlement of foreign exchange receipts under the capital account for domestic enterprises is 100%.

On 23 October 2019, SAFE issued the Notice on Further Promoting the Facilitation of Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》), which canceled the restriction on domestic equity investment by non-investment foreign-invested enterprises using their capital funds, and according to which, non-investment

foreign-invested enterprises are allowed to make domestic equity investment with their capital funds in accordance with the law on the premise of not violating the current special administrative measures for the access of foreign investment (negative list) and the projects invested in the PRC are true and compliant.

Foreign Exchange Registration

On 4 July 2014, SAFE issued the Circular on Relevant Issues concerning Foreign Exchange Administration in Overseas Investment and Financing and Roundtrip Investments Conducted by Domestic Residents through Overseas Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》, the "**Circular 37**") which became effective on 4 July 2014. Under Circular 37, both domestic institutions and individual residents of the PRC are required to register with SAFE for their overseas investments prior to contributing their legitimate domestic and overseas assets or equity interests into "offshore special purpose vehicles", which are defined as overseas enterprises that are directly established or indirectly controlled by domestic residents (including domestic institutions and domestic individual residents) for the purpose of investment and financing.

On 13 February 2015, SAFE published the Circular on Further Simplifying and Improving the Foreign Exchange Administration Policy on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》, the "**Circular 13**") which became effective on 1 June 2015. Pursuant to Circular 13, the foreign exchange registration under domestic and overseas direct investment can be directly conducted with qualified banks in accordance with the Operating Guidelines for Foreign Exchange Business in Direct Investment (《直接投資外匯業務操作指引》) annexed to Circular 13.

PRC LAWS AND REGULATIONS ON MERGER AND ACQUISITION BY FOREIGN INVESTORS

The Regulations on Merger and Acquisition 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**") was promulgated jointly by the MOFCOM, the SAFE and four other government authorities on 8 August 2006, which took effect on 8 September 2006 and was subsequently revised and re-implemented by the MOFCOM on 22 June 2009.

According to the M&A Rules, merger and acquisition of domestic enterprises by foreign investors include: (i) a foreign investor's acquisition of any equity interests of any shareholder of a non-foreign-invested enterprise (the "**Domestic Company**") in the PRC or subscribing to any increased capital of a Domestic Company, thus converting the Domestic Company into a foreign-invested enterprise, or; (ii) a foreign investor's establishment of a foreign-invested enterprise and acquisition of, through such enterprise, any asset of any domestic enterprise by agreement and operating such asset, or the foreign investor's acquisition of any asset of a domestic enterprise by agreement and injecting such asset to establish a foreign-invested enterprise to operate such asset. Pursuant to Article 11 of the M&A Rules, the merger and

acquisition by a company legitimately established or controlled by PRC individuals, companies or enterprises outside the PRC of any Domestic Company affiliated with such PRC individuals, companies or enterprises shall be submitted to the MOFCOM for approval.

Pursuant to the Notice on Issuing the Guiding Manual on the Administration of 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》) promulgated by the Foreign Investment Department of the MOFCOM on 18 December 2008 and taking effect on the same day, the M&A Rules is not applicable to the transfer of equity interests in existing foreign-invested enterprises from a Chinese party to a foreign party regardless of whether there is any affiliated relationship between the Chinese party and the foreign party, and whether the foreign party is the original shareholder or new investor. The target company of the M&A Rules shall only include domestic non-foreign-invested enterprises.

LAWS AND REGULATIONS RELATING TO OVERSEAS LISTING

On 17 February 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and the supporting guidance documents (collectively, the "**Measures on Listing**"), which came into effect on 31 March 2023. According to the Measures on Listing, any overseas offering and listing made by an issuer will be deemed to be indirect if it meets both the following conditions: (1) 50% or more of the issuer's operating revenue, total profit, total assets or net assets as documented in its audited consolidated financial statements for the most recent accounting year is accounted for by domestic companies; and (2) the main parts of the issuer's business activities are conducted in China, or its main places of business are located in China, or the senior managers in charge of its business operation and management are mostly Chinese citizens or domiciled in China. The determination as to whether or not an overseas offering and listing by domestic companies is indirect, shall be made on a substance over form basis. Initial [**REDACTED**] or listings in overseas markets shall be filed with the CSRC within 3 working days after the relevant application is submitted overseas.

The Measures on Listing also provided that no overseas offering and listing shall be made under any of the following circumstances: (1) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (2) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (3) where the domestic company intending to make the securities offering and listing, or its controlling shareholders 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; (4) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (5) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller.

Furthermore, according to the Measures on [**REDACTED**], where a domestic company fails to fulfill filing procedure, the CSRC shall order rectification, issue warnings to such domestic company, and impose a fine of between RMB1,000,000 and RMB10,000,000. The CSRC shall also, in accordance with law, incorporate the compliance status of relevant market participants in respect of the Measures on [**REDACTED**] into the Securities Market Integrity Archives and upload the record to the National Credit Information Sharing Platform, with a view to strengthening cross-agency information sharing through concerted efforts with competent authorities, and enforcing punishment and deterrence in accordance with laws and regulations.

We had completed the filing procedures with the CSRC for the [**REDACTED**] and on 14 September 2023, the CSRC issued a notification to us confirming the completion of the filing procedures for the overseas [**REDACTED**] on the Stock Exchange.

PRC LAWS AND REGULATIONS ON TAXATION

Enterprise Income Tax

According to the EIT Law (《中華人民共和國企業所得税法》) which was promulgated by the NPC on 16 March 2007, became effective on 1 January 2008, and was amended on 24 February 2017 and 29 December 2018, enterprises are divided into resident enterprises and non-resident enterprises. Resident enterprises are defined as enterprises that are established in the PRC in accordance with PRC laws, or that are established in accordance with the laws of foreign countries or regions but whose actual de facto control entity is within the PRC. Non-resident enterprises are defined as enterprises that are set up in accordance with the laws of foreign countries or regions and whose actual de facto control entity is outside the PRC, but which (i) have offices or premises in the PRC, or (ii) have no offices or premises within the PRC but have income generated from China. A uniform income tax rate of 25% is applied to resident enterprises on their income generated from or outside China and to non-resident enterprises which have offices or premises in the PRC on their income that is derived from such offices or premises inside the PRC and on their income that is sourced outside the PRC but is actually connected with the said offices or premises. Pursuant to the EIT Law, non-resident enterprises, which have not set up offices or premises in the PRC, or which have set up offices or premises in the PRC but whose income have no actual relationship with such offices or premises, shall pay enterprise income tax in relation to the income originating from the PRC at the tax rate of 20%. However, according to the Regulation on the Implementation of EIT Law (《中華人民共和國企業所得税法實施條例》) which was promulgated by the State Council on 6 December 2007, became effective on 1 January 2008, and was amended on 23 April 2019, the rate was reduced from 20% to 10%. The EIT Law provides that the enterprise income tax should be levied at the reduced rate of 15% for "High and New Technology Enterprises" in need of special support by the PRC government.

Pursuant to the Announcement of the SAT on Issues Regarding Implementation of Preferential Income Tax Policy for High and New Technology Enterprises (《國家税務總局關於實施高新技術企業所得税優惠政策有關問題的公告》) issued by the SAT on 19 June 2017 with effect from the same day, an enterprise qualified as high or new technology enterprise shall enjoy preferential tax treatment from the year of issuance indicated on its certificate of high and new technology enterprise, and go through record-filing procedures with the competent tax authority in accordance with relevant provisions. In the year of expiry of its qualification as high and new technology enterprise, enterprise income tax shall be temporarily levied at the rate of 15% before renewal of the qualification; if the enterprise fails to obtain such qualification by the end of the year, the tax underpaid during the corresponding period shall be made up according to relevant provisions.

Dividends Withholding Tax

The PRC and Hong Kong governments entered into the Arrangement between the Mainland China and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and 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》, the "**Arrangement**") on 21 August 2006. According to the Arrangement, the withholding tax rate on dividends paid by a PRC company to a Hong Kong resident entity is 5% if such Hong Kong resident entity directly holds at least 25% of the equity interests in the PRC company.

Pursuant to the Circular of the State Administration of Taxation on Relevant Issues relating to the Implementation of Dividend Clauses 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 by the SAT on 20 February 2009 and became effective on the same day, all of the following conditions shall be satisfied in order to enjoy the preferential tax rate provided under the tax treaty: (i) the tax resident that receives dividends should be a company as provided in the tax treaty and the beneficial owner of the dividends; (ii) the equity interests and voting shares directly owned by such tax resident in the PRC resident company should reach the percentage specified in the tax treaty; and (iii) the equity interests directly owned by such tax resident in the PRC resident company shall, at any time during the twelve months prior to receiving the dividends, reach the percentage specified in the tax treaty.

Pursuant to the Administrative Measures for Non-resident Taxpayers to Enjoy Treatment under Treaties (《非居民納税人享受協定待遇管理辦法》), which was promulgated by the SAT on 14 October 2019 and came into effect on 1 January 2020, non-resident taxpayers satisfying the conditions for claiming treaty benefits may enjoy treaty benefits on their own when filing a tax return by themselves or making a withholding declaration through a withholding agent, and shall gather and retain the relevant materials for future inspection and accept the subsequent administration by the tax authorities.

Value-added Tax

According to the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例》) promulgated by the State Council on 13 December 1993, taking effect on 1 January 1994 and last amended on 19 November 2017, as well as the Implementation Rules of the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例實施細則》) promulgated by the MOF on 25 December 1993, taking effect on the same day and last amended on 28 October 2011, entities and individuals that engage in sale of goods, provision of processing, repairing and replacement services, sale of services, intangible assets or real estate, or import of goods within the territory of the PRC shall be taxpayers of value-added tax (the "**VAT**"). The tax rate for sale of services shall be 6% unless otherwise stipulated. As to small-scale taxpayers, the levy rate of VAT shall be 3%, except as otherwise specified by the State Council.

PRC LAWS AND REGULATIONS ON LABOUR PROTECTION

Labour Law

The Labour Law of the PRC (《中華人民共和國勞動法》), which was promulgated by the SCNPC on 5 July 1994 and became effective on 1 January 1995, and was amended on 27 August 2009 and 29 December 2018, sets out that an employer shall develop and improve its internal rules and regulations in accordance with the law to safeguard the rights of its workers. An employer shall develop and improve its labour safety and health system, stringently implement national rules and standards on labour safety and health, provide labour safety and health education to workers, prevent accidents during work and reduce occupational hazards. An employer shall develop a vocational training system. Vocational training funds shall be set and used in accordance with national regulations and vocational training for workers shall be carried out in a systematically planned way based on the actual conditions of the company.

Labour Contract Law

The Labour Contract Law of the PRC (《中華人民共和國勞動合同法》, the "**Labour Contract Law**") was promulgated by the SCNPC on 29 June 2007, came into effect on 1 January 2008 and was amended on 28 December 2012, while the Regulations on the Implementation of the Labour Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) was promulgated by the State Council on 18 September 2008 and came into effect on the same day. The Labour Contract Law and its implementation regulations are enacted to define the rights and obligations of parties to a labour contract, including matters with respect to the establishment, performance and termination of a labour contract. It is stipulated that an employer shall enter into written labour contracts with its employees and pay labour remuneration to the employees timely and in full amount in accordance with the terms of the labour contracts. An employer may legally terminate a labour contract and dismiss an employee after reaching agreement upon due negotiations with the employee or by fulfilling the statutory conditions.

Social Insurance

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on 28 October 2010, came into effect on 1 July 2011 and was amended on 29 December 2018, requires that enterprises in the PRC shall make social insurance registration with the local social insurance authorities and pay social insurance premiums, including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance, for their employees. Under the circumstance where an employer fails to pay social insurance premiums on time and in full, it might be subject to a rectification order by competent authorities and an overdue fine at the rate of 0.05% of the outstanding amount on a daily basis from the due date. In addition, if the employer still fails to make such payment in full amount within the prescribed time limit, a fine in the amount of one to three times of the outstanding payment might be imposed by the competent authorities.

Housing Provident Fund

According to the Regulations on the Management of Housing Provident Fund (《住房公積金管理條例》) promulgated and implemented by the State Council on 3 April 1999 and amended on 24 March 2002 and 24 March 2019, enterprises in the PRC shall make housing provident fund deposit registration and open housing provident fund accounts for their employees with the housing provident fund management centre. The monthly amount of housing provident fund deposited by each the employee and the employer shall not be less than 5% of the monthly average salary of the employee in the previous year. If an employer fails to make full payment of housing provident fund for its employees in accordance with relevant laws and regulations, the relevant housing provident fund management centre shall order it to make the payment within a prescribed time limit. If payment is still not made within the prescribed time limit, an application may be made to the people's court for compulsory enforcement.