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March 20, 2026

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To: **Epiworld International Co., Ltd.**
No. 198-1, East 2nd Road, Tongxiang High-tech City, Torch Hi-tech Zone,
Xiamen, Fujian, PRC
("Company")

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre 1 Harbour View Street, Central, Hong Kong

("Sole Sponsor" and "Sponsor-Overall Coordinator")

Hong Kong Underwriters and International Underwriters named in the Hong Kong Underwriting Agreement and the International Underwriting Agreement relating to the IPO described below

(collectively, the "Underwriters")

Re: U.S. Outbound Investment Rule Matters in Connection with Initial Public Offering of Epiworld International Co., Ltd.

We have acted as special United States ("U.S.") export control and sanctions counsel for Epiworld International Co., Ltd. ("Company"), a joint stock company incorporated in the People's Republic of China ("PRC") with limited liability, in connection with the Company's proposed initial public offering ("IPO") on The Stock Exchange of Hong Kong Limited ("HKEX"). We understand that the IPO will constitute the offer of up to 32,764,300 H shares of the Company, nominal value RMB 1.00 each (including shares subject to the Over-Allotment Option (as defined in the Prospectus referred to below)) (the "Shares"), and listing of the Shares on the Main Board of the HKEX, the details of which are set out in the Prospectus of the Company relating to the IPO filed with the Registrar of Companies in Hong Kong on March 19, 2026 (the "Prospectus"). The Underwriters will serve as the underwriters of the IPO pursuant to the Hong Kong Underwriting Agreement and the International Underwriting Agreement by and among the Company, the Sole Sponsor, the Sponsor-Overall Coordinator and the Hong Kong Underwriters and International Underwriters named therein, as the case may be (the "Underwriting Agreements"). The Company has requested us to provide advice on the U.S. Outbound Investment Rule (defined below). This letter is delivered to you at the request of the Company in accordance with the conditions precedent to the Underwriting Agreements.

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The following provides our views regarding the U.S. Outbound Investment Rule and the impact, if any, on the IPO of the Company.

As further described in this letter, based on representations made by the Company and the diligence we conducted, and subject to the assumptions, qualifications, and other limitations set forth herein, we are of the view that, although the Company is a “person of a country of concern,” because none of the business activities of the Company and its current subsidiaries (collectively, the “**Group**”) fall under the definition of “covered activities” and therefore no member of the Group is a “covered foreign person” under the Outbound Investment Rule, an investment in the H shares of the Company is neither prohibited nor subject to the notification requirements under the Outbound Investment Rule as currently drafted.

This letter is based solely on the documents, facts, and representations provided to us by the Company (“**Company Responses**”). We have not independently verified the facts or representations provided by the Company, and we have assumed the accuracy and completeness of all documents provided to us. We note that, as special U.S. export control and sanctions counsel to the Company, we do not represent the Company generally, and there may be facts relating to the Company of which we have no knowledge. Our analysis is subject to change pending any new or different facts.

I. U.S. Outbound Investment Review

A. Overview of Outbound Investment Rule

On October 28, 2024, the U.S. Department of the Treasury (“**Treasury**”) issued the Final Rule on Outbound Investment (“**Outbound Investment Rule**”), which implements Executive Order 14105, *Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern*. The Outbound Investment Rule became effective on January 2, 2025.¹

The Outbound Investment Rule aims to mitigate national security risks associated with investments in sensitive technologies, such as semiconductors, artificial intelligence (AI), quantum computing, and supercomputing in identified “countries of concern”.

Currently, “countries of concern” under the Outbound Investment Rule are limited to the PRC, the Special Administrative Region of Hong Kong (Hong Kong), and the Special Administrative Region of Macau (Macau).

As of January 2, 2025, “U.S. persons” are subject to certain compliance obligations when engaging in certain transactions with “covered foreign persons” from countries of concern (PRC, Hong Kong,

¹ On December 18, 2025, U.S. President Trump signed into law the Fiscal Year (FY) 2026 National Defense Authorization Act (“**NDAA**”), which includes the Comprehensive Outbound Investment National Security Act of 2025 (“**COINS Act**”). The COINS Act largely codifies the core of the current Outbound Investment Rule while making certain modifications. The COINS Act requires the U.S. Treasury Department to, within 450 days from passage, promulgate new or amended regulations to implement the law. Based on our review of the COINS Act, our view remains that although the Company is a “person of a country of concern”, none of the Group’s business activities fall under the definition of “covered activities.”

and Macau), which may include a prohibition on the transaction or a notification requirement to the U.S. Government within 30 days of completing the transaction.

- The term “***U.S. person***”² means any United States citizen, lawful permanent resident, entity organized under the laws of the United States or any jurisdiction within the United States (including any foreign branch of any such entity), or any person in the United States.
- A “***person of a country of concern***”³ is defined to include individuals and entities with a principal place of business in, who are headquartered in, or organized under the laws of PRC, Hong Kong, and/or Macau, as well as entities majority-owned by individuals from the above jurisdictions.
- “***Covered foreign persons***”⁴ are defined to include (1) a “person of a country of concern” that engages in a “covered activity” as well (2) a person that holds ownership or governance over a person identified in (1), if that person derives more than 50% of revenue, net income, capital expenditures, or operating expenses from that entity.
- The term “***covered activities***”⁵ means, in the context of a particular transaction, any activities covered by the prohibited transactions and notifiable transactions summarized in the Appendix to this letter.

B. Impact on the Company’s IPO

Based on the Company Responses, we are of the view that although the Company is a “person of a country of concern”, none of the Group’s business activities fall under the definition of “covered activities.” Therefore, no member of the Group is a “covered foreign person” under the Outbound Investment Rule. Accordingly, an investment by a “U.S. person”⁶ in the H shares of the Company is not a “covered transaction”, and therefore neither prohibited nor subject to the notification requirements under the Outbound Investment Rule.

I. The Company is a “Person of A Country of Concern”

As noted above, a “covered foreign person” is defined to include a “*person of a country of concern*” that engages in a “covered activity”.

A “*person of a country of concern*” is defined to include individuals and entities with a principal place of business in, who are headquartered in, or organized under the laws of PRC, Hong Kong, and/or Macau, as well as entities majority-owned by individuals from the above jurisdictions. Since the Company has a principal place of business in, is headquartered in, and organized under the laws of PRC, it is a “*person of a country of concern*” under the Outbound Investment Rule. The key is

² See 31 C.F.R. § 850.229.

³ See 31 C.F.R. § 850.221.

⁴ See 31 C.F.R. § 850.209.

⁵ See 31 C.F.R. § 850.208.

⁶ The Outbound Investment Rule does not apply to investment by a non-“U.S. person”.

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to assess whether the Company engages in a “covered activity” which, in the context of a particular transaction, includes any of the activities referred to in the definition of notifiable transaction in 31 C.F.R. § 850.217 or prohibited transaction in § 850.224.

2. *The Company’s Business Activities Are Not “Covered Activities”*

We understand that the Company is primarily engaged in the research and development, mass production, and sales of silicon carbide (“SiC”) epitaxial wafers and offers 4-inch, 6-inch, and 8-inch SiC epitaxial wafers to a wide range of customers. A SiC epitaxial wafer is a SiC substrate wafer with a thin crystalline layer of SiC grown on top using epitaxy, often with tailored electrical characteristics. This SiC epitaxial wafer serves as the foundation structure for fabricating SiC semiconductor devices.

An integrated circuit (“IC”) is a set of electronic circuits comprising various electronic components and their electrical interconnections. Fabrication of ICs generally means fully processing (i.e., doping, etching, metallization, and packaging) wafers into functioning chips such as logic ICs (e.g., CPUs, GPUs), memory ICs (e.g., DRAM, NAND), or analog or RF ICs.

In contrast, SiC epitaxial wafer production is a materials manufacturing step, before any semiconductor device or IC fabrication. The output is a raw or semi-processed material, not a circuit. Importantly, the production of SiC epitaxial wafers does not involve photolithography, doping, etching, or metallization needed to create electrical circuits. It does not produce any logic gates, memory cells, or analog circuits.

SiC epitaxial wafers are important materials for manufacturing SiC semiconductor devices, offering superior efficiency and thermal conductivity compared to traditional silicon wafers. However, a SiC epitaxial wafer itself is not an IC as it lacks electrical interconnections. Accordingly, based on our understanding, the R&D and production of SiC epitaxial wafers is not considered as a design, fabrication, or packaging of ICs.

The Outbound Investment Rule, as implemented in 31 C.F.R Part 850, sets forth certain activities when engaged by a covered foreign person that can result in either a prohibited transaction or a notifiable transaction. The Appendix to this letter provides a summary of prohibited transactions and notifiable transactions.

(i) Prohibited Transactions

Prohibited transactions include certain semiconductor related activities such as (1) developing or producing electronic design automation software, (2) developing or producing (a) certain front end semiconductor fabrication equipment, (b) equipment for volume advanced packaging, or (c) a commodity, material, software, or technology designed exclusively for use in or with extreme ultraviolet lithography fabrication equipment, (3) designing an IC meeting the parameters of Export Control Classification Number 3A090, (4) fabricating certain ICs, or (5) packaging ICs using advanced packaging techniques.

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Thus, the emphasis of the outbound investment restrictions under the Outbound Investment Rule is on restricting investment into Chinese entities that fabricate advanced ICs, develop or produce IC design tools, or manufacture advanced packaging. In contrast, the Company is a materials provider. It does not design any ICs, nor does it develop or produce any semiconductor manufacturing equipment. Instead, it produces a material used in the IC fabrication process. This material is not designed exclusively for use in or with extreme ultraviolet lithography fabrication equipment. Accordingly, based on our understanding of the Company's business and the Company Responses, as of the date of this analysis, we are of the view that the Company does not engage in any covered activities that would result in a prohibited transaction.

(ii) Notifiable Transactions

Notifiable transactions in the semiconductor sector include covered foreign persons who either (1) design any IC, (2) fabricate any IC, or (3) package any IC.

Again, we understand that the Company is a materials provider that does not design, fabricate, or package any ICs. It is instead a supplier of a wafer material that is used by other parties in the semiconductor production process. Accordingly, based on our understanding of the Company's business and the Company Responses, as of the date of this analysis, we are of the view that the Company does not engage in any covered activities that would result in a notifiable transaction.

The Company has further confirmed that it does not engage in or plan to engage in any of the following businesses: (1) designing, fabricating, or packaging any IC; (2) develops, installs, sells, or produces any supercomputer enabled by advanced ICs; (3) develops a quantum computer or produces any of the critical components required to produce a quantum computer, develops or produces any quantum sensing platform, develops or produces quantum network or quantum communication system; or (4) develops any AI system.

In light of the foregoing, we are of the view that the Company's business activities do not meet the definition of "covered activities". This means that a U.S. person's investment in the H shares of the Company would not result in a prohibited or notifiable transaction.

In addition, based solely on the Company Responses, we understand that to the extent the members of the Group directly or indirectly hold a board seat on, a voting or equity interest in, or contractual power to direct or cause the direction of the management or policies of any entities outside the Group, the Group does not derive more than 50% of its revenue or net income or incur more than 50% of its capital expenditure or operating expenses on aggregate from such entities.

In light of the above, we are of the view that no member of the Group is a "covered foreign person" under the Outbound Investment Rule.

3. *U.S. Person's Investment in the Company is Not a "Covered Transaction"*

A "***covered transaction***"⁷ means a U.S. person's direct or indirect:

⁷ See 31 C.F.R. § 850.210.

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- 1) Acquisition of an equity interest or contingent equity interest in a person that the U.S. person knows at the time of the acquisition is a covered foreign person;
- 2) Provision of a loan or a similar debt financing arrangement to a person that the U.S. person knows at the time of the provision is a covered foreign person, where such debt financing affords or will afford the U.S. person an interest in profits of the covered foreign person, the right to appoint members of the board of directors (or equivalent) of the covered foreign person, or other comparable financial or governance rights characteristic of an equity investment but not typical of a loan;
- 3) Conversion of a contingent equity interest into an equity interest in a person that the U.S. person knows at the time of the conversion is a covered foreign person, where the contingent equity interest was acquired by the U.S. person on or after January 2, 2025;
- 4) Acquisition, leasing, or other development of operations, land, property, or other assets in a country of concern that the U.S. person knows at the time of such acquisition, leasing, or other development will result in, or that the U.S. person plans to result in:
 - (i) The establishment of a covered foreign person; or
 - (ii) The engagement of a person of a country of concern in a covered activity;
- 5) Entrance into a joint venture, wherever located, that is formed with a person of a country of concern, and that the subject U.S. person knows at the time of entrance into the joint venture that the joint venture will engage, or plans to engage, in a covered activity; OR
- 6) Acquisition of a limited partner or equivalent interest in a venture capital fund, private equity fund, fund of funds, or other pooled investment fund (in each case where the fund is not a U.S. person) that a U.S. person knows at the time of the acquisition likely will invest in a person of a country of concern that is in the semiconductors and microelectronics, quantum information technologies, or artificial intelligence sectors, and such fund undertakes a transaction that would be a covered transaction if undertaken by a U.S. person.

Notwithstanding the above, a transaction is not a “covered transaction” if it is an excepted transaction as set forth in 31 C.F.R. § 850.501. Pursuant to 31 C.F.R. §850.501, an excepted transaction includes an investment by a U.S. person in any publicly traded “security,” defined in section 3(a)(10) of the Securities Exchange Act of 1934, as amended, at 15 U.S.C. 78c(a)(10), and denominated in any currency, as a security that trades on a securities exchange or through the method of trading commonly referred to as “over-the-counter,” in any jurisdiction.

As described above, we are of the view that no member of the Group is a “covered foreign person” under the Outbound Investment Rule. Therefore, any investments in the H shares of the Company would not result in a “covered transaction.”

In light of the above, we are of the view that an investment by a “U.S. person” in the H shares of the Company is not a “covered transaction” as defined under the Outbound Investment Rule, and

thus neither prohibited nor subject to the notification requirements under the Outbound Investment Rule as currently drafted.

Even if any member of the Group were considered a “covered foreign person,” a U.S. person could still purchase H shares of the Company publicly traded on the HKEX following the Company’s IPO, so long as it does not afford the U.S. person rights beyond standard minority shareholder protections as described in 31 C.F.R. § 850.501(a)(2). Any follow-on offerings of the Company’s H shares would also fall under an excepted transaction as long as the H shares are publicly traded and similarly do not afford the U.S. person any rights beyond standard minority shareholder protections.

We note that a U.S. person’s acquisition (after January 2, 2025) of equity that is not yet publicly traded for purposes of facilitating an IPO, including as part of an underwriting arrangement, would not fall under the exception provided under 31 C.F.R. §850.501.⁸ To the extent any U.S. person purchase any H shares of the Company that are not yet publicly traded on the Hong Kong Exchange, such purchase would not qualify as an excepted transaction to the “covered transaction”. However, since no member of the Group would be deemed a “covered foreign person” as analyzed above, such a transaction by a U.S. person would not constitute a “covered transaction” because no member of the Group is a “covered foreign person” regardless of whether the H shares of the Company are publicly traded.

II. Assumptions, Qualifications and Disclosure

We have assumed (a) the accuracy and completeness of all certificates, agreements, documents, records and other materials submitted to us; (b) the authenticity of original certificates, agreements, documents, records and other materials submitted to us; (c) the conformity with the originals of any copies submitted to us; (d) the genuineness of all signatures; and (e) the legal capacity of all natural persons. In addition, in rendering our views, we have (a) without independent verification, relied, with respect to the Company’s representations, factual matters, statements and conclusions, on certificates, notifications and statements, whether written or oral, of individuals identified to us as officers and representatives of the Company and on the confirmations made by the Company in the underlying documents and (b) reviewed originals, or copies of such agreements, documents and records as we have considered relevant and necessary as a basis for our views.

This letter is based solely on the facts and representations provided by the Company. We note that, as special U.S. export control and sanctions counsel to the Company, we do not represent it generally, and there may be facts relating to the Company of which we have no knowledge. Our analysis is subject to change pending any new or different facts.

Whenever we qualify a statement in this letter with the words “to our knowledge,” “we are not aware” or similar wording, it indicates that in the course of our representation of the Company as

⁸ We note that the COINS Act includes an exception from the newly defined “covered national security transaction,” certain “secondary” transactions including “underwriting services including, but not limited to, the temporary acquisition of an equity interest for the sole purpose of facilitating underwriting services.” However, this exception only becomes effective upon publication of implementing regulations by the U.S. Treasury Department.

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special U. S. export control and sanctions counsel in connection with its IPO, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of the lawyers in this firm who have rendered legal services in connection with the Company's IPO. Please be advised that only Jack Ko, Matthew Rabinowitz, Jenny Sheng and Chunbin Xu have been involved in rendering these services. We have not made any independent investigation to determine the accuracy of any such statement, except as expressly described herein, and any limited inquiry undertaken by us during the preparation of this letter should not be regarded as such an investigation. No inference as to our knowledge of any matters bearing on the accuracy of such statement should be drawn from our representation of the Company in other matters in which such lawyers are not involved.

We express no views as to the law of any jurisdiction other than the federal law of the United States of America, and have addressed only such laws that a lawyer exercising customary professional diligence would reasonably be expected to recognize as being relevant to the U.S. Outbound Investment Rule matters addressed herein. This letter speaks only as of the date hereof. We have no responsibility or obligation to update this letter or to take into account changes in law or facts or any other development of which we may later become aware. To the extent that any of the materials referred to herein are not governed by the federal law of the United States of America or the law of any State within the United States of America, our view thereon is based solely on the plain meaning of their language without regard to any interpretation or construction that might be indicated by the laws governing those materials.

This letter is delivered by us as special U.S. export control and sanctions counsel for the Company only to you solely for your benefit in connection with the IPO and may not be used, circulated, furnished, quoted or otherwise referred to or relied upon for any other purpose or by any other person or entity (including by any person or entity that acquires any of the Shares from any of you) for any purpose without our prior written consent, except that:

- This letter may be disclosed by an addressee on a non-reliance basis:
 - to the legal counsels for the Underwriters in connection with the IPO;
 - to the Company's affiliates and its and their officers, employees, auditors, insurers, reinsurers and professional advisers in connection with the IPO;
 - where required or requested by any court of competent jurisdiction or any governmental, tax, supervisory or regulatory authority (including the HKEX and the Securities and Futures Commission of Hong Kong);
 - in connection with any actual or potential dispute or claim or investigation to which it is a party or which it is involved in relating to the transactions contemplated by the documents reviewed; and
 - to the extent required by law or regulation.

Very truly yours,

PILLSBURY WINTHROP SHAW PITTMAN LLP

Pillsbury Winthrop Shaw Pittman LLP

**Appendix
Summary of Prohibited Transactions and Notifiable Transactions**

Sector	Prohibited Transactions	Notifiable Transactions
Semiconductors and microelectronics	<ul style="list-style-type: none"><li data-bbox="432 524 975 667">(1) Develops or produces any electronic design automation software for the design of integrated circuit(s) (IC(s)) or advanced packaging;<li data-bbox="432 703 975 1128">(2) Develops or produces any:<ul style="list-style-type: none"><li data-bbox="491 739 975 882">a. Front-end semiconductor fabrication equipment designed for performing the volume fabrication of ICs;<li data-bbox="491 887 975 954">b. Equipment for performing volume advanced packaging; or<li data-bbox="491 958 975 1128">c. Commodity, material, software, or technology designed exclusively for use in or with extreme ultraviolet lithography fabrication equipment.<li data-bbox="432 1164 975 1339">(3) Designs any IC that meets or exceeds the performance parameters in Export Control Classification Number 3A090.a, or ICs designed for operation at or below 4.5 Kelvin;<li data-bbox="432 1375 975 1973">(4) Fabricates any of the following:<ul style="list-style-type: none"><li data-bbox="491 1411 975 1554">a. Logic ICs using a non-planar transistor architecture or with a production technology node of 16/14 nanometers or less;<li data-bbox="491 1559 975 1626">b. NOT-AND (NAND) memory ICs with 128 layers or more;<li data-bbox="491 1630 975 1774">c. Dynamic random-access memory (DRAM) ICs using a technology node of 18 nanometer half-pitch or less;<li data-bbox="491 1778 975 1877">d. Integrated circuits manufactured from a gallium-based compound semiconductor;<li data-bbox="491 1881 975 1973">e. Integrated circuits using graphene transistors or carbon nanotubes; or	Designing, fabricating, or packaging any IC not covered by the prohibited transactions.

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Sector	Prohibited Transactions	Notifiable Transactions
	<p>f. Integrated circuits designed for operation at or below 4.5 Kelvin; or</p> <p>(5) Packages any IC using advanced packaging techniques.</p>	
Supercomputers	Develops, installs, sells, or produces any supercomputer enabled by advanced ICs that can provide a theoretical compute capacity of 100 or more double-precision (64-bit) petaflops or 200 or more single-precision (32-bit) petaflops of processing power within a 41,600 cubic foot or smaller envelope.	None
Quantum information technologies	<p>Develops a quantum computer or produces any of the critical components required to produce a quantum computer such as a dilution refrigerator or two-stage pulse tube cryocooler;</p> <p>Develops or produces any quantum sensing platform designed for, or which the relevant covered foreign person intends to be used for, any military, government intelligence, or mass-surveillance end use; or</p> <p>Develops or produces quantum network or quantum communication system for networking to scale up capabilities; secure communications; military, government intelligence, or mass-surveillance end use.</p>	None
Artificial Intelligence (AI)	<p>Develops any AI system that is designed to be <i>exclusively used for</i>, or which the relevant covered foreign person intends to be used for, any:</p> <p>(1) Military end use; or (2) Government intelligence or mass-surveillance end use;</p> <p>Develops any AI system that is trained using a quantity of computing power greater than:</p>	<p>Develops any AI system not otherwise covered by the prohibited transaction definition, where such AI system is:</p> <p>(1) Designed to be used for any military end use or government intelligence or mass-surveillance end use; (2) Intended to be used for any of the following:</p>

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Sector	Prohibited Transactions	Notifiable Transactions
	(1) 10^{25} computational operations (<i>e.g.</i> , integer or floating-point operations); or (2) 10^{24} computational operations (<i>e.g.</i> , integer or floating-point operations) using primarily biological sequence data.	a. cybersecurity applications; b. digital forensics tools; c. penetration testing tools; or d. the control of robotic systems; or (3) Trained using a quantity of computing power greater than 10^{23} computational operations (<i>e.g.</i> , integer or floating-point operations).