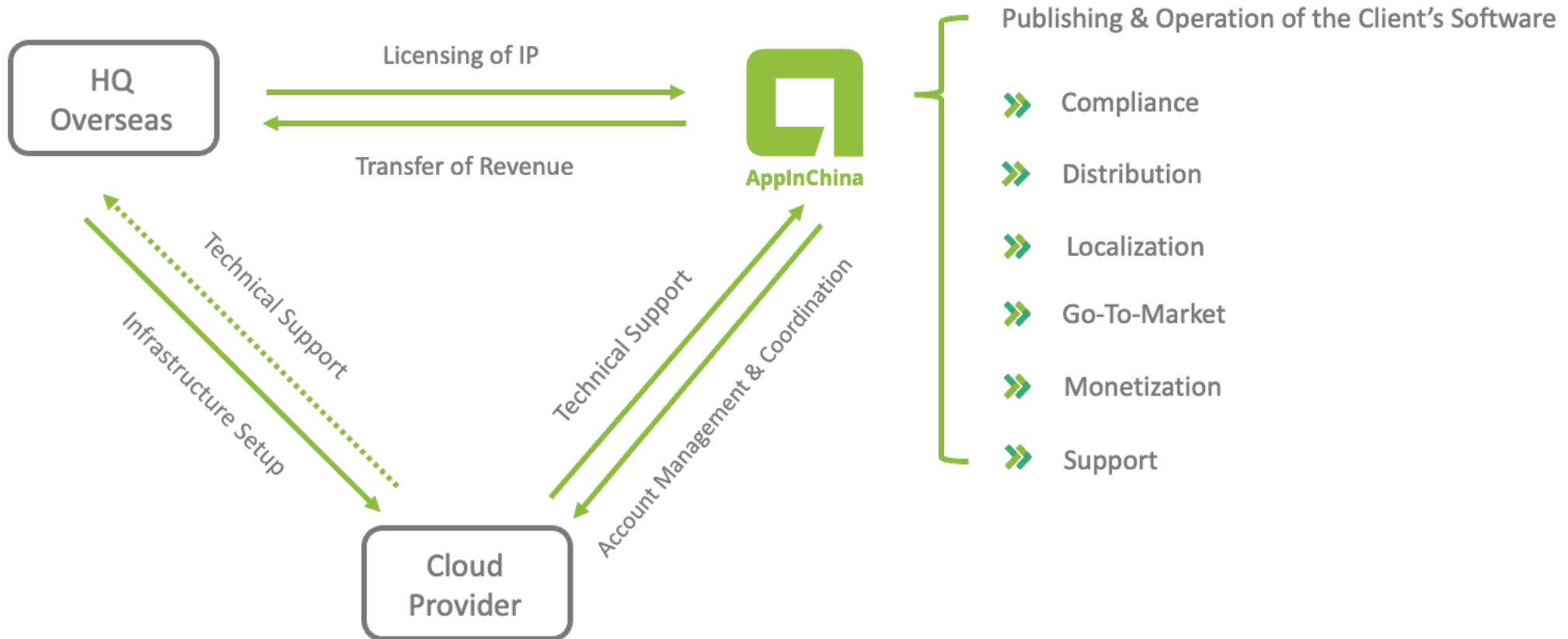




# AppInChina

China's leading publisher and operator of international software

# Publishing Model



# License Requirements

- ApplnChina's service is necessary because many of the key licenses that are required to operate and sell software in China are restricted and can only be held by majority, and in some cases 100%, Chinese-owned companies.
- The most commonly required license is the B25 Commercial ICP License, which is required for any “commercial internet-based information services”. This includes the vast majority of SaaS platforms and mobile applications.
- Other examples of restricted licenses include the B21 Electronic Data Interchange (EDI) License, B22 Domestic Multi-Party Communication Service License, and Broadcast and Television License.

# Our Solution

- One solution is to establish a joint venture or VIE (variable interest entity) structure and obtain the restricted licenses under this entity. However, this is rarely the best option since it requires giving up control of your company's operations in China.
- The other solution is to work with a local partner like ApplnChina that will publish and operate the software on behalf of your company. This is usually the best solution because it maximises your company's control over its IP and is far more flexible than a joint venture or VIE structure.
- Examples of companies that have adopted this solution include Salesforce, AWS, and Microsoft, as well as the examples listed on the 'Our Clients' page below.

# Our Clients

We publish and operate over 300 SaaS platforms, apps, websites, and mini programs on behalf of the world's largest companies and most valuable brands including:



# Our Services

Our range of services ensures that we achieve the best possible results for your software in China, while also ensuring compliance with all relevant laws and regulations.

» Compliance

» Cloud Services

» Localization

» Distribution

» User Acquisition

» Monetization

» E-Commerce

» WeChat

» Go-To-Market

» Support

# Compliance

Ensure that your software is published and operated in compliance with all applicable laws and regulations.

- **Entity Compliance:** The licenses that must be held by the legal entity that will publish the software. Examples include the B25 Commercial ICP License and the B21 EDI License
- **Software Compliance:** The licenses, filings and certificates that must be obtained specifically for the software that will be published. Examples include the MLPS Filing, ICP Filing, and Software Copyright Certificate
- **Operational Compliance:** The procedures, laws and regulations that must be followed to ensure that the software is operated in full compliance with Chinese law



# Entity Compliance

The licenses that must be held by the legal entity that will publish the software.

- **B25 Commercial ICP License** (增值电信业务经营许可证 - 信息服务)
- **B21 Electronic Data Interchange (EDI) License** (增值电信业务经营许可证 - 在线数据处理与交易处理)
- **Broadcast and Television License** (广播电视节目制作经营许可证)



# Software Compliance

The licenses, filings and certificates that must be obtained specifically for the software that will be published.

- ICP (Internet Content Provider) Filing (ICP备案)
- ICP Filing for Mobile Applications (Mobile App Filing) (APP备案)
- Software Copyright Certificate (计算机软件著作权登记证书)

# Software Compliance

- MLPS Filing (网络安全等级保护制度)
- ISBN Number (游戏版号)
- Trademark (商标)

# Operational Compliance

The procedures, laws and regulations that must be followed to ensure that the software is operated in full compliance with Chinese law.

- Data Export
- Content Review
- Social Functions

# Operational Compliance

- Legal Documents
- Customer Support
- Revenue Collection

# Compliance Report



## Compliance Report - Sample

### Introduction

AppInChina has conducted an assessment of your software and prepared this compliance report in order to provide a summary of steps that will be required to publish and operate your software in China in compliance with Chinese law. For the sake of clarity, we divide this summary into three categories:

- **Entity Compliance:** The licenses that must be held by the legal entity that will publish the software in China.
- **Software Compliance:** The licenses, filings and certificates that must be obtained specifically for the software that will be published.
- **Operational Compliance:** The operational steps that must be followed in order to ensure that the software is operated in compliance with Chinese law.

We recommend that you share this report with your company's internal and/or external counsel in order to verify the accuracy and confirm next steps.

### Entity Compliance

#### B21 Electronic Data Interchange EDI License (在线数据处理与交易处理业务)

The B21 EDI License is required for websites/platforms providing users with online data processing and transaction processing services. It is a license authorizing a business to operate an e-commerce platform, B2B data exchange platform, or a platform for networking hardware in China.

Relevant law:

<https://www.appinchina.co/government-documents/announcement-of-the-ministry-of-industry-and-information-technology-on-promulgating-the-classification-catalogue-of-telecommunications-services-version-2015/>

Detailed information:

<https://www.appinchina.co/edi-electronic-data-interchange-b21-online-data-processing-and-transaction-processing-services>

#### B25 Commercial ICP License (信息服务业务)

The B25 Commercial ICP License is required for any commercial software or online service that is published in China. This includes any apps, SaaS platforms, websites, or other software.

Relevant law:

<https://www.appinchina.co/government-documents/announcement-of-the-ministry-of-industry-and-information-technology-on-promulgating-the-classification-catalogue-of-telecommunications-services-version-2015/>

Detailed information: <https://www.appinchina.co/how-can-i-get-an-icp-license-for-china>

Notes:

- **Apple App Store:** The Apple App Store China doesn't usually request the B25 Commercial ICP License in order to publish an app. However, we anticipate that this is likely to change later this year when Apple adjusts their policy to comply with Chinese laws and regulations.
- **Apple Search Ads:** Apple already requests all of the legally-required licenses, certificates and filings in order to run Apple Search Ads in China. Apple's guidelines can be found [here](#).
- **Android App Stores:** The major Chinese Android app stores usually require this license in order to publish an app.
- **WeChat Mini Programs:** WeChat currently only requires this license for certain categories of Mini Program as listed [here](#).

### Software Compliance

#### Software Copyright Certificate

The Software Copyright Certificate is a basic requirement for any software to be published in China. It confirms your company's copyright over the software in China and helps to prevent illegal distribution of your software by other companies.

Relevant law:

<https://www.appinchina.co/government-documents/regulations-on-the-protection-of-computer-software-2013-revision/>

Detailed information: <https://www.appinchina.co/services/distribution/copyright-certificate/>

#### ICP Filing

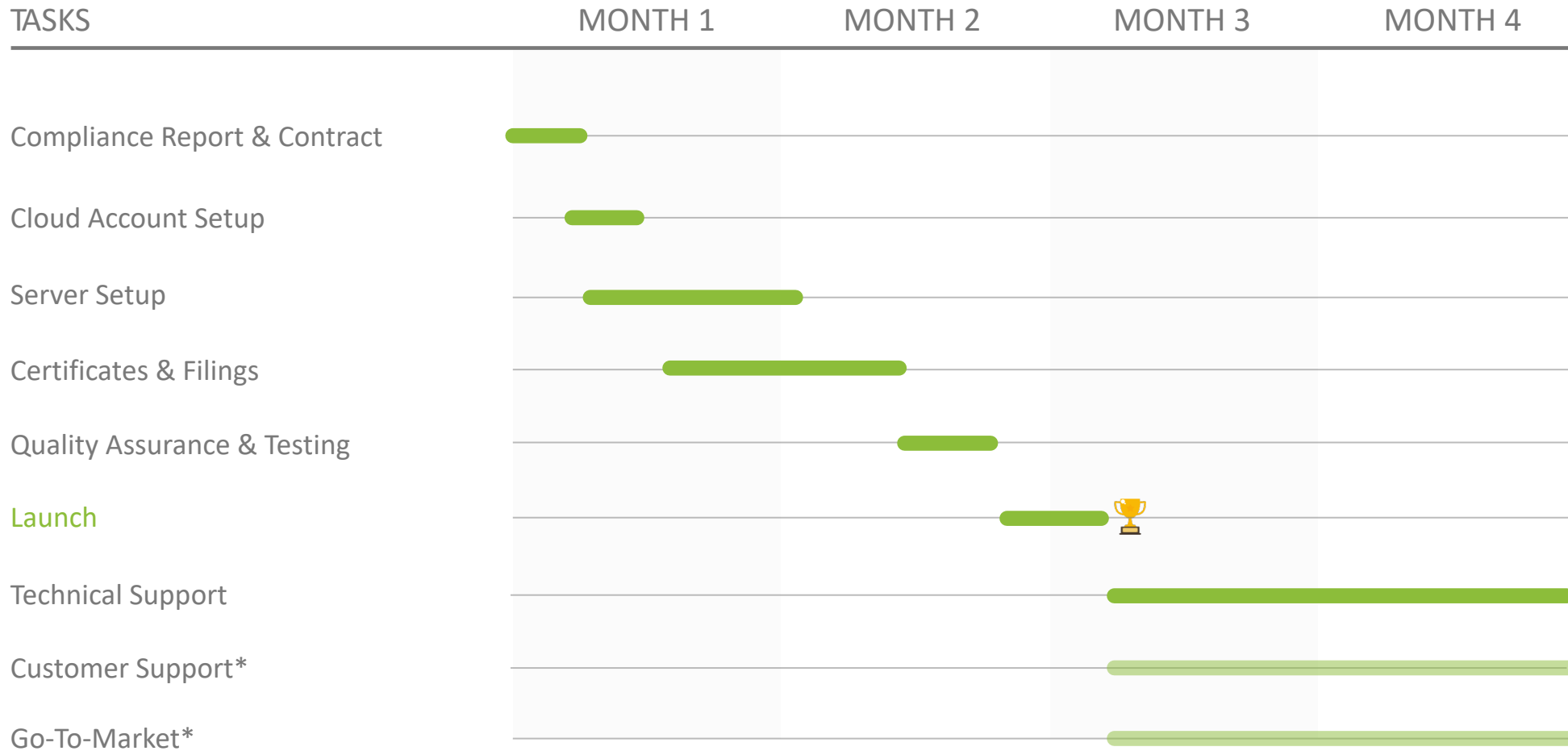
An ICP (Internet Content Provider) Filing is a legal requirement for hosting any information in China. A Chinese domain name and a locally-hosted landing page are required to obtain the ICP Filing, and a PSB (Public Security Bureau) Filing must be submitted within 30 days of completion of the ICP Filing.

Relevant law:

<https://www.appinchina.co/government-documents/administrative-measures-on-internet-based-information-services/>



# Roadmap



\* *Optional*

# Cloud Services

Set up and use accounts on one or more of the major cloud service providers in China including: **Alibaba Cloud**, **AWS China**, **Tencent Cloud** and **Azure China**.

- **Technical Support:** Ongoing support to set up and manage your cloud services account in China
- **Hosting:** Hosting of data under our Chinese entity in order to ensure compliance with Chinese data laws
- **Billing:** All services are billed at cost price, with no markup on the cloud service provider's standard pricing
- **Services:** Access to a wide range of cloud services including cloud computing, cloud storage, security products, and network products



# Distribution

Use our dashboard to manage the distribution of your Android app across the major third-party Android app stores in China.

- **Distribution:** Distribution of the app across the ten largest Android app stores in China
- **Analytics:** Access to our analytics system to view the results of each app
- **App Store Link:** Provision of a link and QR code to direct users to whichever Android app store is installed on their phone

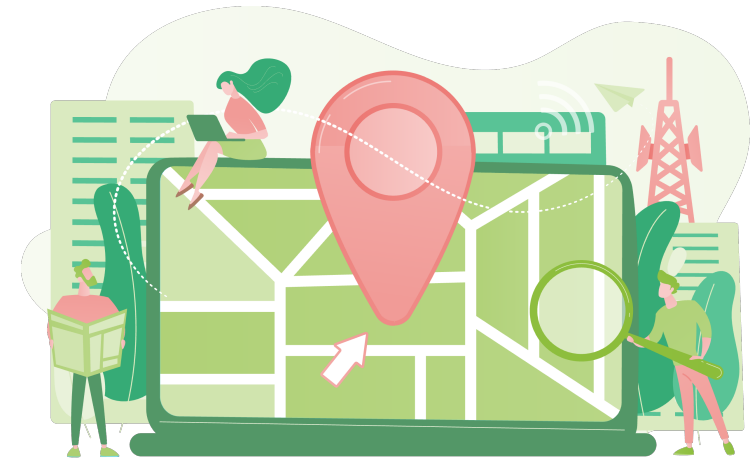




# Localization

Receive in-depth support to ensure that your software is fully localized for the Chinese market.

- **Integrations:** Identification of any integrations that are blocked in China and recommendation of China-based alternatives
- **Translation:** Translation of all content into Mandarin Chinese and checks for any cultural-compatibility issues
- **Testing:** Comprehensive testing to find China-specific bugs and identify opportunities to improve the user experience



# Go-To-Market

Develop and execute an optimal go-to-market strategy for your product or service in China.

- **Strategy:** Work with our experts to develop a comprehensive, data-driven go-to-market strategy for the Chinese market
- **Enterprise Sales:** Hire staff to work on business development for your company either part-time or full-time
- **Partnerships:** Work with our reseller partners to maximize your sales



# User Acquisition

Acquire users for your product or service through highly-targeted campaigns across the major Chinese media platforms and app stores.

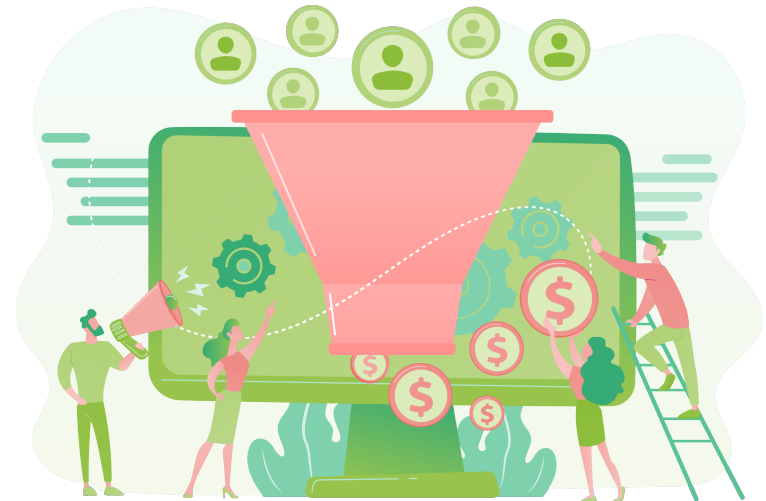
- **App Store Ads:** Acquire users for your app through CPD bidding on the major Chinese Android app stores
- **Apple Search Ads:** Acquire iOS users by running campaigns on the Apple App Store China targeting users by device, location, gender, age, and more
- **Media Platforms:** Run campaigns on the major media platforms in China including Tencent, ByteDance, and Baidu



# Monetization

Use our payment system to accept recurring payments through Alipay and WeChat Pay and our in-app advertising solution to maximize your ad revenues.

- **IAP:** In-app payments, including recurring payments and refunds, can be managed through our dashboard or payment API
- **IAA:** Our in-app advertising solution ensures that ad revenues are maximized, while also ensuring that all ads are compliant with Chinese law
- **Compliance:** ApplnChina handles the payment of all local taxes and then transfers the revenues to our client's local or international entity



# Contact Us



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