

APPENDIX III

TAXATION AND FOREIGN EXCHANGE

TAXATION

Certain PRC and Hong Kong tax consequences on [REDACTED] relating to the ownership of H Shares by an investor who [REDACTED] such H Shares in the [REDACTED] and holds the H Shares as capital assets are summarised as follows. This summary does not purport to and is not intended to address all material tax consequences of the ownership of H Shares, and does not take into account the specific circumstances of any particular [REDACTED], some of which may be subject to special provisions.

This summary is based on the tax laws of the PRC and Hong Kong (including the tax treaties to which PRC or Hong Kong is a party thereto) in effect as at the Latest Practicable Date, all of which are subject to change (or changes in interpretation), possibly with retroactive effect.

This section in this document does not address any aspect of the PRC or Hong Kong taxation other than income tax, capital tax, business tax, stamp duty and estate duty. Potential [REDACTED] are urged to consult their tax advisors regarding the PRC, Hong Kong and other tax consequences of [REDACTED] in H Shares.

PRC TAXATION

1. TAXATION OF SECURITY HOLDERS

Taxation on Dividends

Individual Investor

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) (the “**IIT Law**”), which was last amended by the Standing Committee of the National People’s Congress (the “**SCNPC**”) on 31 August 2018 and came into effect on 1 January 2019, and the Implementation Provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》) (the “**Implementation Regulations of the IIT Law**”), which was last amended by the State Council on 18 December 2018 and came into effect on 1 January 2019, individual income tax shall be payable at a rate of 20% on dividends received by individuals. Resident individuals shall pay individual income tax in accordance with the provisions of this Law for the income derived within and outside China. Non-resident individuals shall pay individual income tax in accordance with the provisions of this Law for the income derived in China.

According to the Notice of the PRC State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》), which was promulgated by the STA on 28 June 2011 and came into effect on the same day, the dividend received by the overseas resident individual shareholders from the stocks issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax according to the items of “interests, dividend and bonus income”, which shall be withheld by the withholding agents according to the relevant laws. The overseas resident individual shareholders who hold the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China and the tax arrangements between the Mainland China and Hong Kong (Macau) Special Administrative Region. Since the tax rate for dividends under the above tax agreements and tax arrangements is generally 10% and there are many shareholders, and for the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividend, generally withhold

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individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividend is not equal to 10%, the following provisions shall apply: (1) if the individual who receives dividends and bonuses is a citizen from countries under agreements to be entitled to tax rates lower than 10%, the withholding agents will file applications in accordance with stipulations on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the tax authorities, over withheld tax amounts will be refunded; (2) if the individual who receives dividends and bonuses is a citizen from countries under agreements to be entitled to tax rates higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividend (bonus), and are not obligated to file an application; and (3) if the individual who receives dividends and bonuses is a citizen from countries without tax agreements or are under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividend.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the “EIT Law”) last amended by the SCNPC and implemented on 29 December 2018, and the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) last amended by the State Council on 6 December 2024 and implemented on 20 January 2025, the tax rate for corporate income tax is 25%. A non-resident enterprise is subject to a 10% EIT on mainland China-sourced income, if such non-resident enterprise does not have an establishment or place of business in the Mainland China or has an establishment or place of business in the Mainland China but the Mainland China-sourced income is not actually connected with such establishment or place of business in the Mainland China. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment to non-resident enterprises every time it is paid or due.

Pursuant to the Notice on the Issues Concerning Withholding the EIT on the Dividends Paid by Chinese Resident Enterprises to H Shareholders that are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》)(國稅函[2008]897號) issued by the SAT on 6 November 2008, the PRC resident enterprises are required to withhold EIT at a unified rate of 10% on dividends of 2008 and onwards paid to H Shareholders that are overseas non-resident enterprises.

Pursuant to the Reply on the Collection of Enterprise Income Tax on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (Guo Shui Han [2009] No. 394) (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》) 國稅函[2009]394號) issued by the SAT on 24 July 2009, a PRC-resident enterprise listed within or outside the PRC by issuing stocks (including A shares, B shares and overseas shares) is required to withhold EIT at a unified rate of 10% on dividends of 2008 and onwards paid to non-resident enterprise shareholders. Non-resident enterprise shareholders shall follow relevant provisions executed by tax treaty where they need to enjoy the treatment of tax treaty.

According to the Arrangement between the 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稅和防止偷漏稅的安排》), which was signed between the People's Republic of China and the Hong Kong Special Administrative Region of the People's Republic of China on 21 August 2006 and effective from 8 December 2006, resident

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living in either region who receives dividends distributed by an enterprise from the other region shall be subject to tax of the other region. However, such dividends may also be taxed in the side of which the company paying the dividends is a resident, and according to the laws of that side. If the individual receiving the dividend is the resident of the other region, the taxation amount shall not exceed: (i) 5% of the total dividend in case the individual receiving the dividends directly owns at least 25% of the capital of the enterprise distributing the dividends; and (ii) 10% of the total dividend in other circumstances.

Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties or made adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the enterprise income tax imposed on the dividends received from PRC resident enterprises. The PRC currently has entered into Avoidance of Double Taxation Treaties or Arrangements with a number of countries and regions including the Hong Kong Special Administrative Region of China, the Macao Special Administrative Region of China, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

Taxes on Share Transfer

Income Tax

Individual investors

According to the IIT Law and the Implementation Regulations of the IIT Law, income derived by individuals from the transfer of securities or equity interests is regarded as income from property transfer and is subject to individual income tax at a rate of 20%.

According to the Circular of the Ministry of Finance and the State Administration of Taxation on Continuing Temporary Exemption From Individual Income Tax on the Income From Stocks Transfer (《財政部、國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui Zi [1998] No. 61) promulgated by the MOF and the SAT on 30 March 1998 and implemented on the same date, since 1 January 1997, the individual income tax levied on the individual income from transfer of stocks of listed companies will continue to be temporarily exempted.

According to the Circular on Issues Concerning the Levy of Individual Income Tax on Incomes from the Transfer of Restricted Shares of Listed Companies (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009] No. 167) jointly promulgated by the MOF, the SAT and the China Securities Regulatory Commission (the "CSRC") on 31 December 2009 and implemented on the same date, individuals' income from the transfer of the shares of listed companies obtained from the public offering of listed companies and transfer market on the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from the individual income tax, except for the relevant restricted shares as defined in the Supplementary Circular of the Ministry of Finance, the State Administration of Taxation, and the CSRC on Issues Concerning the Levy of Individual Income Tax on Income from the Transfer of Restricted Shares of Listed Companies (《財政部、國家稅務總局、證監會關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) (Cai Shui [2010] No. 70). As of the Latest Practicable Date, the

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aforementioned provisions did not specify whether to impose the individual income tax on the income from the transfer of shares of PRC-resident enterprises listed on overseas stock exchanges by non-PRC resident individuals.

Enterprise Investors

According to the EIT Law and its implementation rules, a non-resident enterprise that has not established an establishment or premises in the PRC or it has established an establishment and premises but the income received has no actual connection with the establishment and premises, it shall pay an enterprise income tax at a rate of 10% for the income arising within the PRC. The aforesaid income tax payable for non-resident enterprises are deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise on each payment or when it is payable on due date.

Stamp Duty

According to the Stamp Tax Law of the People's Republic of China (《中華人民共和國印花稅法》) promulgated by the SCNPC on 10 June 2021 and came into effect on 1 July 2022, entities and individuals that issue taxable certificates and conduct securities transactions within the territory of PRC are taxpayers of stamp duty and shall pay stamp duty in accordance with the provisions of this law. Entities and individuals that issue taxable certificates outside the territory of PRC to be used within the territory of the PRC shall pay stamp duty in accordance with the provisions of this law. Therefore, the stamp duty levied on the transfer of shares in PRC listed companies does not apply to non-PRC investors buying and selling H Shares outside the territory of the PRC.

2. MAJOR TAXES OF THE COMPANY IN THE PRC

Enterprise Income Tax

Pursuant to the EIT Law, enterprises established in the PRC and other organisations deriving income (collectively referred to as "**Enterprises**") are subject to enterprise income tax in accordance with such law at a statutory tax rate of 25%.

Pursuant to the latest revised Measures for the Administration of the Certification of High-tech Enterprises (《高新技術企業認定管理辦法》) jointly issued by the Ministry of Science and Technology, the Ministry of Finance, and the State Taxation Administration on 29 January 2016, and effective from January 1, 2016, enterprises recognised as high-tech enterprises are eligible to enjoy a preferential enterprise income tax rate of 15% in accordance with the relevant provisions of the EIT Law.

Value-added Tax

Pursuant to the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》) (the "**VAT Law**"), promulgated by the SCNPC on 25 December 2024 and implemented on 1 January 2026, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, or real estate (hereinafter referred to as taxable transactions), as well as import goods, are taxpayers of value-added tax and shall pay value-added tax in accordance with the provisions thereof. VAT rates shall be as follows: (1) taxpayers who sell goods, provide processing, repair, and maintenance services, leasing services for tangible movable properties or import goods shall be subject to the VAT of 13%, unless otherwise prescribed by Item (2), Item (4) or Item (5) of this article; (2) unless otherwise prescribed by Item (4) or Item (5) of this article, taxpayers shall be subject to the VAT of 9% if they sell transportation services, postal services, basic telecommunications

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services, construction services or real estate leasing services, sell real estate, transfer land-use rights, or sell or import any of the following goods: 1. Grains, edible vegetable oil or edible salt; 2. Tap water, heating, air-conditioning, hot water, gas, liquefied petroleum gas, natural gas, dimethyl ether, bog gas or residential coal products; 3. Books, newspapers, magazines, audio-visual products or electronic publications; 4. Feeds, fertilisers, pesticides, agricultural machinery or plastic films for agricultural use; (3) Taxpayers who sell services or intangible assets shall be subject to the VAT of 6%, unless otherwise prescribed by Item (1), Item (2) or Item (5) of this article; (4) Taxpayers who export goods shall be subject to zero-rated VAT, unless otherwise prescribed by the State Council; and (5) Domestic entities and individuals who engage in cross-border sales of services or intangible assets that are within the scope prescribed by the State Council shall be subject to zero-rated VAT.

3. FOREIGN EXCHANGE

Pursuant to the Foreign Exchange Control Regulations of the PRC (《中華人民共和國外匯管理條例》) (the “**Foreign Exchange Control Regulations**”) lastly amended by the State Council on 5 August 2008 and implemented on the same date, all international payments and transfers are categorised into current account items and capital account items. Financial institutions engaged in the settlement and sale of foreign exchange shall conduct reasonable review of the authenticity of transaction documents and their consistency with foreign exchange receipts and payments, and shall accept the supervision and inspection of the foreign exchange administrative authority. With respect to capital account items, foreign institutions and individuals making direct investments within the territory of PRC shall, after obtaining approval from the relevant competent authorities, register with the foreign exchange administrative authority. Foreign exchange income obtained outside the territory of PRC may be repatriated into the territory or deposited overseas; foreign exchange under capital account items and funds converted from such foreign exchange shall be used for the purposes approved by the relevant competent authorities and the foreign exchange administrative authority. In the event of a serious imbalance in the balance of international payments or the imminent occurrence thereof, or in the event of a serious crisis in the national economy or the imminent occurrence thereof, the State may take necessary safeguard and control measures with respect to international payments.

Pursuant to the Public Announcement of the PBOC on Improving the Reform of the Renminbi Exchange Rate Regime (PBOC Public Announcement [2005] No. 16) (《中國人民銀行關於完善人民幣匯率形成機制改革的公告》) issued by the PBOC on 21 July 2005 and implemented on the same date, the PRC began to implement a managed floating exchange rate system based on market supply and demand and with reference to a basket of currencies since 21 July 2005. Therefore, the RMB exchange rate was no longer pegged to the U.S. dollar only, and a more flexible Renminbi Exchange Rate Regime was formed. The PBOC would announce the closing price of a foreign currency such as the U.S. dollar against the RMB in the inter-bank foreign exchange market after the closing of the market on each working day. This closing price will be used as the middle price for quoting the RMB exchange rate on the following working day.

According to the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) (Guo Fa [2014] No. 50) which was promulgated and implemented by the State Council on 23 October 2014, the State Council has decided to cancel the examination and approval by the SAFE and its branches for the remittance and settlement of proceeds raised from the overseas listing of the foreign shares.

According to the Notice on Issues Concerning the Fund Management for Overseas Listing of Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》) jointly promulgated by the PBOC and the SAFE on 24 December 2025, funds raised by domestic

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enterprises through overseas listing shall in principle be repatriated to the PRC in a timely manner. If such funds are retained overseas for use in activities such as outbound direct investment, overseas securities investment, or overseas lending, the relevant enterprises shall obtain approval or filing documents from the competent business authorities prior to the completion of the overseas listing issuance or any offer size adjustment option exercise, and shall comply with the relevant cross-border fund management regulations.

According to the Notice of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration of 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) (Hui Fa [2015] No. 13) promulgated by the SAFE on 13 February 2015 and implemented on 1 June 2015, two administrative approval items, namely the approval for foreign exchange registration under domestic direct investment and the approval for foreign exchange registration under overseas direct investment, have been cancelled. Instead, banks shall directly examine and handle the foreign exchange registration under domestic direct investment and the foreign exchange registration under overseas direct investment. The SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Circular on Reforming and Regulating Policies on the Control over 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) (Hui Fa [2016] No. 16) which was promulgated by the SAFE and implemented on 9 June 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The voluntary percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is provisionally set at 100%, subject to adjustment of the SAFE in due time in accordance with international revenue and expenditure situations.

HONG KONG TAXATION

Dividend Taxation

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares. However, trading gains from the sale of the H Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on unincorporated businesses. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains unless these taxpayers can prove that the investment securities are held for long-term investment purposes.

Trading gains from sales of H Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Stock Exchange realised by persons carrying on a business of trading or dealing in securities in Hong Kong.

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Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of the H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of the Hong Kong securities, including H Shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK\$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Estate Duty

Pursuant to the Revenue (Abolition of Estate Duty) Ordinance 2005, estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after 11 February 2006.

TAXATION OF OUR COMPANY IN HONG KONG

Our Directors do not consider that any of our Company's income is derived from or arose in Hong Kong for the purpose of Hong Kong taxation. Our Company will therefore not be subject to Hong Kong taxation.

TAXATION OF SECURITY HOLDERS

The taxation of income and capital gains of holders of H Shares is subject to the PRC and jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current effective laws and practices, and no predictions are made about changes or adjustments to relevant laws or policies, and no legal or tax comments or suggestions will be made accordingly. The discussion has no intention to deal with all possible tax consequences resulting from the investment in H Shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulations. Accordingly, you should consult your own tax advisor regarding the tax consequences of an investment in H Shares. The discussion is based upon laws and relevant interpretations in effect as of the date of this document, which is fully subject to change or adjustment and may have retrospective effect.

No issues on the PRC or Hong Kong taxation other than income tax, capital appreciation and profit tax, business tax/appreciation tax, stamp duty and estate duty were referred in the discussion. Prospective investors are urged to consult their financial advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.