TAXES FOR SECURITIES HOLDERS

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are resident or subject to tax. The following summary of relevant tax provisions is based on current laws and practices, and does not take into account anticipated changes in or amendments to relevant laws and policies, nor constitute any opinions or suggestions. The discussion does not deal with all possible tax consequences relating to [**REDACTED**] in H Shares, nor does it take into account specific circumstances of any individual [**REDACTED**], some of which may be subject to special regulations. Accordingly, you should consult your own tax advisor regarding the tax consequences of the [**REDACTED**] in H Shares. The discussion is based on the laws and relevant interpretations in effect as of the Latest Practicable Date. All the laws and relevant interpretations are subject to change and adjustment and may have retrospective effect.

The discussion does not address any PRC tax issues other than income tax, capital gains tax, sales tax, value-added tax, stamp duty and estate duty. Prospective [**REDACTED**] are advised to consult their financial advisers regarding the PRC and other tax consequences of [**REDACTED**] of H Shares.

PRC TAXATION

Taxation on Dividends

Individual [**REDACTED**]

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) (the "Individual Income Tax Law") promulgated by the Standing Committee of the National People's Congress ("NPCSC") on September 10, 1980, last amended on August 31, 2018, and implemented on January 1, 2019, and the Regulations for the Implementation of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) promulgated by the State Council on January 28, 1994, last amended on December 18, 2018 and effective as of January 1, 2019, interest, dividends and bonus are regarded as personal income and subject to individual income tax at a applicable proportional tax rate of 20%. For a foreign natural person who is not a resident of the PRC, the dividends received from a PRC enterprise is normally subject to 20% individual income tax, unless specially exempted by the tax authority of the State Council or reduced by a relevant tax treaty.

Meanwhile, pursuant to the Circular on Issues Relating to the Differentiated Individual Income Tax Policy on Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the MOF, the SAT and the CSRC on September 7, 2015, effective on September 8, 2015 and partially abolished on July 1, 2019, for shares of listed companies acquired by an individual from public offering and transfer of market, the dividend and bonus income shall be temporarily exempt from individual income tax for shares held for more than one year; the dividend and bonus income shall be fully included in the taxable income for shares held for less than one month (inclusive); and the dividend and bonus income shall be temporarily reduced by 50% to taxable income for shares held for more than 1 month and less than 1 year (inclusive). The above income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Mainland of 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》) ("**Arrangement**") signed on August 21, 2006, the PRC government may impose a tax on dividends payable by a PRC company to a Hong Kong resident (including the natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, the tax levied shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol on the Arrangement between the Mainland 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>第五議定書》) ("**Fifth Protocol on the Arrangement**"), which became effective on December 6, 2019, has included the eligibility criteria for enjoying the tax treaty preference. Notwithstanding the requirements of other provisions of the Arrangement, if, after taking into account all relevant facts and circumstances, it can be reasonably determined that one of the main purposes of any arrangement or transaction that directly or indirectly brings about the benefits of the Arrangement is to obtain such preferential tax, the tax treaty preference of relevant standard shall not be granted, unless it can be confirmed that granting such preference in such cases is in line with the relevant purposes and objectives of the Arrangement. The dividend provisions of the tax treaties shall be applied in accordance with the Circular of the State Administration of Taxation on Issues Related to the Implementation of Dividend Provisions of Tax Agreements (《國家稅務總局關於執行稅收協議股息條款有關問題的通知》) and other PRC tax laws and regulations.

Enterprise **[REDACTED]**

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) ("Enterprise Income Tax Law") promulgated by the NPCSC on March 16, 2007, last amended and implemented on December 29, 2018 and the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) ("Implementing Regulations") promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and implemented on January 20, 2025, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong (China)), if such non-resident enterprise does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable for non-resident enterprises is 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.

The Circular of the State Administration of Taxation on Issues Relating to Withholding and Payment of Enterprise Income Tax on Dividends Distributed by Chinese Resident Enterprises to Overseas H-share Non-resident Enterprises Shareholders (《國家稅務總局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》) issued and implemented by the State Administration of Taxation ("SAT") on November 6, 2008, further clarifies that, a PRC-resident enterprise must withhold enterprise income tax at a rate of 10% on the dividends of 2008 and onwards that it distributes to overseas non-resident enterprise shareholders of H Shares. The Reply of the State Administration of Taxation on the Issue of Enterprise Income Tax on Dividends on B Shares and Other Stocks Acquired by Non-Resident Enterprises (《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》) promulgated and implemented by the SAT on July 24, 2009, further provides that Chinese resident enterprises that have publicly issued and listed shares (A-shares, B-shares and overseas shares) within or outside China shall withhold and pay enterprise income tax at a uniform rate of 10% when distributing dividends for 2008 and subsequent years to non-resident enterprises shareholders. Where any non-resident enterprise shareholder is entitled to the tax agreement treatment, the relevant provisions of the tax agreement shall prevail. According to the Arrangement, the PRC government may impose a tax on dividends payable by a PRC company to a Hong Kong resident (including the natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, the tax levied shall not exceed 5% of the total dividends payable by the PRC company.

The Fifth Protocol on the Arrangement has included the eligibility criteria for enjoying the tax treaty preference. Notwithstanding the requirements of other provisions of the Arrangement, if, after taking into account all relevant facts and circumstances, it can be reasonably determined that one of the main purposes of any arrangement or transaction that directly or indirectly brings about the benefits of the Arrangement is to obtain such preferential tax, the tax treaty preference of relevant standard shall not be granted, unless it can be confirmed that granting such preference in such cases is in line with the relevant purposes and objectives of the Arrangement. The dividend provisions of the tax treaties shall be applied in accordance with the Circular of the State Administration of Taxation on Issues Related to the Implementation of Dividend Provisions of Tax Agreements (《國家稅務總局關於執行稅收協議股息條款有關問題的通知》) and other Chinese tax laws and regulations.

Tax Treaties

Non-PRC resident [**REDACTED**] residing in countries that have entered into agreements or arrangements with the PRC for the avoidance of double taxation or residing in Hong Kong or Macao may be entitled to a reduction of the PRC enterprise income tax imposed on the dividends received from PRC companies. The PRC currently has entered into treaties/arrangements on the avoidance of double taxation with a number of countries and regions, including Hong Kong, Macao, 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 under the relevant income tax treaties or arrangements are required to apply to the PRC tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

Taxes on Income from Share Transfer

Income Tax

Individual [**REDACTED**]

According to the Individual Income Tax (《個人所得稅法》) and its implementation rules, gains from sale of equity interests by a PRC resident enterprise shall be levied individual income tax at a rate of 20%.

According to the Circular on Continued Temporary Exemption of Individual Income Tax on Income from Transfer of Stocks Effectiveness (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) promulgated by the MOF and the SAT and taking effect on March 30, 1998, since January 1, 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. According to the Circular on the Issues Relating to the Collection of Individual Income Tax on Individuals' Income 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》) jointly promulgated by the MOF, the SAT and the CSRC on December 31, 2009 and taking effect on January 1, 2010, individuals shall continue to be exempted from the individual income tax on the income from the transfer of shares listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, with the exception of the relevant restricted shares as defined in the Supplementary Circular on the Issues Relating to the Collection of Individual Income Tax on Individuals' Income 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補充通知》) jointly issued by the above-mentioned authorities on November 10, 2010. As of the Latest Practicable Date, the above provisions did not expressly provide for the imposition of individual income tax on the transfer of shares of PRC resident enterprises listed on overseas stock exchanges by non-PRC resident individuals.

Enterprise [**REDACTED**]

Pursuant to the Enterprise Income Tax Law (《企業所得稅法》) and its implementing regulations, where non-PRC resident enterprises have not formed permanent establishments or premises within the territory of the PRC, or where they have formed permanent establishments or premises within the territory of the PRC but there is no actual relationship between the relevant income generated in the PRC and the establishments or premises set up by them, they shall be subject to enterprise income tax in respect of its income generated in the PRC (including the gains from sale of equity in Chinese resident enterprises), generally at a rate of 10%. The aforesaid income tax payable for non-resident enterprises is 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. The tax may be reduced or exempted under tax treaties or arrangements on avoidance of double taxation.

Stamp Duty

According to the Stamp Duty Law of the People's Republic of China (《中華人民共和國印花稅法》) issued by the NPCSC on June 10, 2021 and implemented on July 1, 2022, the PRC's stamp duty applies to entities and individuals who execute taxable documents within the PRC, engage in securities transactions within the PRC, or execute taxable documents outside the PRC for use within PRC. Therefore, the provisions governing stamp duty on share transfers of PRC listed companies do not apply to purchasing or selling H-shares by non-PRC [**REDACTED**] outside the PRC.

Estate Duty

Pursuant to the laws of the PRC, as of the Latest Practicable Date, no estate duty has been imposed by the government of PRC.

Major Taxation of the Company in the PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law (《企業所得稅法》) and its implementing regulations, the enterprise income tax rate is 25%. Enterprises are classified into resident and non-resident enterprises. The resident enterprises shall pay enterprise income tax for the income derived from inside and outside the PRC at an enterprise income tax rate of 25%. A non-resident enterprise having establishments or premises inside the PRC shall pay enterprise income tax enterprise income tax on its incomes derived from the PRC as well as on incomes derived from outside the PRC but which have real connection with the said establishments or premises at an enterprise income tax rate of 25%.

Value-Added Tax

According to the Value-added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》) promulgated by the NPCSC on December 25, 2024 and effective from January 1, 2026, all entities or individuals (including sole proprietors) in the PRC that are engaged in the sale of goods, services, intangible assets, real estate and the importation of goods are taxpayers of value-added tax and shall pay VAT. The VAT rate is 13.0% for taxpayers engaged in the sale of goods, provision of processing, repairing and replacement services, leasing of tangible personal property, or the importation of goods, unless otherwise specified.

Pursuant to the Circular on Comprehensively Implementing the Pilot Program for Changing Business Tax to VAT (《關於全面推開營業稅改徵增值稅試點的通知》) promulgated on March 23, 2016 and taking effect on May 1, 2016, upon approval by The State Council, the pilot program of changing business tax to VAT must be fully implemented across the country since May 1, 2016.

The Circular of the Ministry of Finance and the State Administration of Taxation on Adjusting the VAT Rate (《財政部、國家稅務總局關於調整增值稅稅率的通知》) promulgated by the Ministry of Finance and the SAT on April 4, 2018 and taking effect on May 1, 2018 adjusted the applicable value-added tax rate. For taxpayers engaged in VAT-taxable transactions or importing goods that were previously subject to 17% or 11% tax rates, the applicable rates have been changed to 16% and 10% respectively.

Pursuant to the Announcement on Relevant Policies for Deepening the Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》) jointly promulgated by the MOF, the SAT and the GAC on March 20, 2019 and implemented on April 1, 2019, (1) the tax rate of 16% applicable to the VAT taxable sale or import of goods by a taxpayer shall be adjusted to 13%; and the tax rate of 10% applicable thereto shall be adjusted to 9%; (2) the deduction rate of 10% applicable to any taxpayer's purchase of agricultural products shall be adjusted to 9%; (3) where a taxpayer purchases the agricultural products used for the production or consigned processing of goods to which the tax rate of 13% applies, the amount of input tax shall be calculated at the deduction rate of 10%; (4) as for exported goods and labor services to which the tax rate of 16% applies and whose export tax refund rate is 16%, the export tax refund rate shall be adjusted to 13%; (5) as for exported goods and cross-border taxable acts to which the tax rate of 10% applies and whose export tax refund rate is 10%, the export tax refund rate shall be adjusted to 9%.

Foreign Exchange

The lawful currency of the PRC is RMB, which is subject to foreign exchange control and cannot be freely convertible to foreign currencies. As authorized by the People's Bank of China, the SAFE is empowered to exercise the functions of administering all matters relating to foreign exchange, including the implementation of foreign exchange control regulations.

According to the Regulations on Foreign Exchange Control of the People's Republic of China (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, and last amended and implemented on August 5, 2008, payments under the current accounts, such as distribution of profits, interest payments, and foreign exchange transactions related to trade and services, may be freely converted into foreign currencies and paid without prior approval from the SAFE, provided certain procedural requirements are followed. In contrast, converting RMB into foreign currencies and exporting them from the PRC for capital account payments, such as direct investment, repayment of foreign currency loans, round-trip investment, and investment in securities outside the PRC, requires prior approval or registration from the SAFE or its local branches.

According to the Administrative Provisions on Foreign Exchange Settlement, Sales and Payment (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996 and taking effect on July 1, 1996, no restrictions are imposed on foreign exchange convertibility under current accounts, while restrictions are imposed on foreign exchange transactions under capital accounts.

Pursuant to the Circular on Further Simplification and Improvement of the Foreign Exchange Control Policy over Direct Investment by the SAFE (《關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated on February 13, 2015, implemented on June 1, 2015 and partially repealed on December 30, 2019, banks directly audit and handle foreign exchange registrations for domestic direct investments and foreign exchange registrations for offshore direct investments on behalf of the SAFE, and the SAFE and its branches exercise indirect supervision over the foreign exchange registrations for direct investments through the banks.

Pursuant to the Circular of the State Administration of Foreign Exchange Concerning Reform of the Administrative Approaches to Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) ("**Circular No. 19**") promulgated on March 30, 2015, last amended and implemented on March 23, 2023, foreign-invested enterprises are allowed to use the RMB funds obtained from foreign exchange capital for equity investment. According to Circular No. 19, the foreign exchange capital in the capital account of a foreign-invested enterprise that has been confirmed by the SAFE for the rights and interests of monetary contribution (or registered by the bank for the entry of monetary contribution) can settle the foreign exchange at the bank based on the actual business needs of the enterprise. The voluntary exchange portion of foreign exchange capital of foreign-invested enterprises is provisionally set at 100%. The SAFE may adjust the above-mentioned proportion in a timely manner according to the international balance of payments position. In addition, Circular No. 19 and the Circular of the State Administration of Foreign Exchange on Reforming and Regulating the Administrative Policies over Foreign Exchange Settlement under the Capital Account (《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》) ("**Circular No. 16**"), issued by the SAFE on June 9, 2016, and last amended and implemented on December 4, 2023, stipulates that foreign-invested enterprises shall not use RMB funds derived from their foreign exchange capital contributions for expenditures outside their business scope or prohibited by national laws and regulations, securities investments, investment and wealth management products other than bank principal-protected products, extending loans to non-affiliated enterprises (except circumstances explicitly permitted by their business scope), or constructing or purchasing non-self-use real estate (except for real estate enterprises). The Notice of the State Administration of Foreign Exchange on Further Deepening Reforms to Promote Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) (HF [2023] No. 28) issued and implemented on December 4, 2023, a further update to Circular No. 16, explicitly stipulates the use of foreign exchange income under capital contributions and foreign debt of non-financial enterprises, as well as the Renminbi funds obtained from their exchange, shall adhere to the principles of authenticity and self-use: 1) Such funds shall not be directly or indirectly used for expenditures prohibited by national laws and regulations; 2) Unless otherwise explicitly stipulated, such funds shall not be directly or indirectly used for securities investment or other investment and wealth management activities (except for wealth management products and structured deposits with a risk rating no higher than Level 2); 3) Such funds shall not be used to extend loans to non-affiliated enterprises (except where explicitly permitted by business scope and in the following four designated zones: Lingang New Area of China (Shanghai) Pilot Free Trade Zone, Nansha New Area of China (Guangdong) Pilot Free Trade Zone, Yangpu Economic Development Zone of China (Hainan) Free Trade

Port, and Beilun District of Ningbo City, Zhejiang Province); 4) Such funds shall not be used to purchase residential properties for non-self-use purposes (except for enterprises engaged in real estate development or real estate leasing operations).

Pursuant to Notice of the State Administration of Foreign Exchange 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》) promulgated on October 23, 2019, last amended and implemented on December 4, 2023, the restrictions on domestic equity investment of non-investment foreign-invested enterprises' capital were lifted. Non-investment foreign-invested enterprises are allowed to make domestic equity investments with their capital in accordance with the law, provided that they do not violate the Negative List (《負面清單》) and the projects they invest in within the country are genuine and compliant.

According to the Notice on Optimizing Foreign Exchange Management to Support Foreign-related Business Development (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) issued and implemented by SAFE on April 10, 2020, on the premise of ensuring that the use of funds is truly compliant and in accordance with the current management regulations on the use of income from capital accounts, eligible enterprises are allowed to use capital account income, such as capital funds, foreign debts and overseas listings, for domestic payments without having to provide proof of authenticity to the bank in advance one by one. Handling banks shall manage related business risks in accordance with the principle of prudent business conduct and conduct post-transaction sampling inspections on capital account income payment facilitation services processed in compliance with relevant requirements.

According to the Circular on Issues Concerning the Administration of Foreign Exchange for Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) issued by the SAFE on December 26, 2014, domestic companies shall complete overseas listing registration with the foreign exchange bureau at their registered location within 15 working days from the date of completion of the overseas listing issuance. A domestic company may repatriate the proceeds from offshore listing to its domestic account or retain such proceeds at its overseas account. The use of such proceeds shall be consistent with the content of the prospectus or other public disclosure documents such as explanations on the raising of corporate bonds, circulars to shareholders and resolutions of board of directors and shareholder's meetings.