TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of the H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken in to account the expected change or amendment to the relevant laws or policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an [REDACTED] in the H shares, nor does it take into account the specific circumstances of any particular [REDACTED], some of which may be subject to special regulation. Accordingly, you should consult your own tax adviser regarding the tax consequences of an [REDACTED] in the H shares. The discussion is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not address any aspects of PRC taxation other than income tax, capital gains tax and profits tax, sales tax, value-added tax, stamp duty and estate duty. Prospective [REDACTED] are urged to consult their financial advisers regarding the PRC and other tax consequences of [REDACTED] and [REDACTED] of the H shares.

TAXATION IN MAINLAND CHINA

Tax on Dividends

Individual Investors

According 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**"), latest amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules 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》) amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to Notice on Issues Relating to Differentiated Individual Income Tax Policies for 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 and effective on September 8, 2015, for shares of listed companies obtained by individuals via public offerings and market transfer and held for more than one year, the income from dividends and bonuses thereof shall temporarily be exempt from individual income tax. For shares of listed companies obtained by individuals via public offerings and market transfer and held for less than one month (including one month), the income from dividends and bonuses thereof shall be fully included in the individual's taxable income amount; where the shares are held for a period from one month up to one year (including one year), 50% of the income from dividends and bonuses therefrom shall temporally be included in the individual's taxable income amount; the aforesaid income shall be subject to individual income tax based on 20% tax rate on a unified basis.

Pursuant 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》) (the "**Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income**"), signed by the Mainland of China and the Hong Kong Special Administrative Region on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol 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 (《國家稅

務總局關於〈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〉第五議定書》) (the "**Fifth Protocol**"), issued by the SAT and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**") promulgated on March 16, 2007 and amended on December 29, 2018 by the SCNPC, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) promulgated by the State Council on December 6, 2007, amended on December 6, 2024, and implemented on January 20, 2025, a non-resident enterprise that does not have an establishment or place of business within the PRC, or it has an establishment or place of business in the PRC but the income has no actual connection with such establishment or place of business, shall be subject to a 10% corporate income tax rate on income derived from PRC (including dividends distributed by PRC resident enterprises whose shares are issued and listed in Hong Kong). The aforementioned income tax payable by non-resident enterprises shall be subject to withholding at the source, where the payer shall act as the withholding agent. The tax amount for each payment made or due shall be withheld by the withholding agent from the amount paid or payable. Such tax may be reduced or exempted in accordance with applicable agreements for the avoidance of double taxation.

The Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《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税有關問題的通知》) (Guo Shui Han [2008] No. 897) promulgated by the SAT and effective on November 6, 2008 further clarifies that a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to overseas non-resident enterprise holders of H Shares which are derived out of profit generated since 2008. In addition, the Reply on the Issues Concerning the Levying of the Corporate Income Tax on Dividends Derived by Non-Resident Enterprises from B Shares, Etc. (《關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》) (Guo Shui Han [2009] No. 394) promulgated by the SAT on July 24, 2009 further stipulates that PRC resident enterprises that issue shares (including A shares, B shares and overseas shares) on domestic and overseas stock exchanges shall, after distributing the dividends of 2008 and subsequent years to the non-resident enterprise shareholders, withhold and pay enterprise income tax at a rate of 10%. Such rates may be further adjusted in accordance with tax treaties or agreements between the PRC and the relevant jurisdictions, if applicable.

According to the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《對所得避免雙重徵税和防止偷漏税的安排》), the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the main purposes of obtaining such tax benefits.

Tax Treaties

Non-resident investors residing in countries which have entered into treaties for the avoidance of double taxation with the PRC, or residing in Hong Kong or Macao, are entitled to a reduction of the withholding taxes imposed on the dividends received from PRC companies. The PRC currently has entered into Avoidance of Double Taxation Treaties/Arrangements with a number of countries and regions, including the Hong Kong Special Administrative Region, the Macao Special Administrative Region, 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 relevant income tax agreements or arrangements are required to apply to the Chinese tax authorities for a refund of withholding tax exceeding the agreed rate, subject to approval by the Chinese tax authorities.

Share Transfer Tax

Individual Investors

According to the IIT Law and its implementation rules, the gains realized from the sale of equity interests in PRC resident enterprises are subject to 20% individual income tax. Under the Circular of the MOF and SAT on Declaring that Individual Income Tax Continues to Be Exempted over Individual Income Tax from Transfer of Shares (Cai Shui Zi [1998] No. 61) (《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》) promulgated by the MOF and SAT on March 30, 1998 and came into effect on the same day, from January 1, 1997, income of individuals from the transfer of shares of listed companies continue to be exempted from individual income tax.

As of the Latest Practicable Date, the aforementioned provisions did not explicitly stipulate whether personal income tax shall be levied from non-PRC resident individuals on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges.

Corporate Investors

In accordance with the EIT Law and its implementation rules, a non-resident enterprise that does not have an establishment or place of business within the PRC, or it has an establishment or place of business in the PRC but the income has no actual connection with such establishment or place of business, shall be subject to a 10% corporate income tax rate on income derived from PRC (including gains derived from the disposal of equity interests in a PRC resident enterprise). Such income tax payable for non-resident enterprises are deducted at source, with the payer acting as the deductor. The tax shall be withheld by the deductor from the amount payable or due at each payment or due date. Such tax may be subject to relief or exemption under applicable tax treaties or arrangements.

Taxation Policy of Shanghai-Hong Kong Stock Connect

According to the Notice on Tax Collection Policies Relating to the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) issued by the MOF, the SAT and the China Securities Regulatory Commission on October 31, 2014 and effective on November 17, 2014, for dividends and bonus obtained by Mainland individual investors investing in H shares listed on the Hong Kong Stock Exchange (the"**HKSE**") through Shanghai-Hong Kong Stock Connect, the H-share companies shall apply to the China Securities Depository and Clearing Corporation Limited (the"**CSDC**") for provision by CSDC to the H-share companies register of individual investors in Mainland China, and the H-share companies shall withhold and remit individual income tax at the rate of 20%.

Pursuant to the Announcement on Continuing the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated by the MOF, the SAT and the China Securities Regulatory Commission on August 21, 2023 and implemented on the same day, the transfer spread income derived by Mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect shall continue to be exempted from individual income tax until December 31, 2027.

According to the Notice on Tax Collection Policies Relating to the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》), the transfer price difference income earned by Mainland enterprises from investing in stocks listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect shall be included in their total income and subject to corporate income tax in accordance with the law. Dividends and bonuses derived by Mainland enterprise investors from shares listed on the Hong Kong Stock Exchange via the Shanghai-Hong Kong Stock Connect shall be included in their total income and subject to corporate income tax in accordance with the law. In particular, dividends and bonus income derived by Mainland resident enterprises from H-shares held over 12 consecutive months shall be exempt from corporate income tax in accordance with the law. H-share companies are not required to withhold dividend income tax for its Mainland enterprise investors, and the corporate investors shall make declaration and payment for the tax payable amount voluntarily.

Taxation Policy of Shenzhen-Hong Kong Stock Connect

According the Notice on Tax Collection Policies Relating to the Pilot Scheme of Stock Connect for Shenzhen and Hong Kong Stock Market Transactions (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) issued by the MOF, the SAT and the China Securities Regulatory Commission on November 5, 2016 and effective on December 5, 2016, for dividends and bonus income obtained by mainland individual investors investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDC for provision by CSDC to the H-share companies register of individual investors in the Mainland, and individual income tax shall be withheld and remitted by H-share companies at the tax rate of 20%.

Pursuant to the Announcement on Continuing the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated by the MOF, the SAT and the China Securities Regulatory Commission on August 21, 2023 and implemented on the same day, the transfer price difference income earned by mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall continue to be exempted from individual income tax until December 31, 2027.

According to the Notice on Tax Collection Policies Relating to the Pilot Scheme of Stock Connect for Shenzhen and Hong Kong Stock Market Transactions (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), the transfer price difference income earned by mainland enterprises from investing in stocks listed on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to corporate income tax in accordance with the law. Dividends and bonuses derived by mainland enterprise investors from shares listed on the Hong Kong Stock Exchange via the Shenzhen-Hong Kong Stock Connect shall be included in the total income amount, and subject to corporate income tax in accordance with the law. In particular, dividends and bonus income derived by mainland resident enterprises for H-shares held for 12 months consecutively shall be exempt from corporate income tax in accordance with the law. H-share companies shall not withhold dividend income tax for mainland enterprise investors, and the tax payable amount shall be declared and paid by corporate investors.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》) promulgated by the SCNPC on June 10, 2021 and implemented on July 1, 2022, PRC stamp duty only applies to specific taxable document executed or received within the PRC, having legally binding force in the PRC and protected under the PRC laws, thus the requirements of the stamp duty imposed on the transfer of shares of PRC listed companies shall not apply to the acquisition and disposal of H Shares by non-PRC investors outside of the PRC.

Estate Duty

As of the Latest Practicable Date, no estate duty has been levied in Mainland China.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the EIT Law and its implementation rules, all the domestic enterprises in China (including foreign-invested enterprises) shall be subject to enterprise income tax at the uniform tax rate of 25%.

According to the Administrative Measures for Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology, the MOF and the SAT on April 14, 2008, amended on January 29, 2016 and became effective on January 1, 2016, an enterprise recognized as a high and new technology enterprise may apply for a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the EIT Law.

According to the Announcement of the MOF and the SAT on the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households (《財政部、國家稅務總局關於小微企業和個體工商戶所得稅優惠政策的公告》), which was promulgated on March 26, 2023, from January 1, 2023 to December 31, 2024, the annual taxable income of a small low-profit enterprise that is not more than 1 million yuan shall be included in its taxable income at the reduced rate of 25%, with the applicable enterprise income tax rate of 20%. According to the Announcement of the MOF and the SAT on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises (《關於進一步實施小微企業所得稅優惠政策的公告》), which was promulgated by the MOF and the SAT on March 14, 2022, from January 1, 2022 to December 31, 2024, the annual taxable income of a small low-profit enterprise that is not less than 1 million yuan and not more than 3 million yuan shall be included in its taxable income at the reduced rate of 25%, with the applicable enterprise income tax rate of 20%. According to the Announcement of the MOF and the SAT on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households (《財政部、國家稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告》), which was promulgated on August 2, 2023, the taxable income of a small low-profit enterprise shall be calculated at the reduced rate of 25%, and the policy of payment of enterprise income tax at the rate of 20% shall continue to be implemented until December 31, 2027.

Value-added Tax

According to the VAT Provisional Regulations (《增值稅暫行條例》) and the VAT Detailed Rules for the Implementation for the Provisional Regulations (《增值稅暫行條例實施細則》), all entities or individuals in the PRC engaging in the sale of goods, the provision of processing, repair and replacement services, sale of services, intangible assets and real estate and importation of goods within the territory of PRC shall pay value-added Tax (the "**VAT**") at the rates of 0%, 6%, 11% and 17% for different goods sold and different services provided, unless otherwise specified.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) promulgated on April 4, 2018 and effective on May 1, 2018, the deduction rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%. According to Announcement on Policies for Deepening the VAT 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 General Administration of Customs on March 20, 2019 and became effective from April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

On December 25, 2024, the SCNPC promulgated the VAT Law of the PRC (《中華人民共和國增值稅法》), which will take effect on January 1, 2026 and repeal the VAT Provisional Regulations. According to the VAT Law, the VAT rate for taxpayers selling goods, providing processing, repair and maintenance services, or leasing tangible movable property, as well as for importing goods, is

13%. Taxpayers selling transport, postal, basic telecommunications, construction, or property leasing services; selling real property; transferring land use rights; or selling or importing specified goods under the VAT Law shall be subject to a VAT rate of 9%. Taxpayers selling services or intangible assets shall be subject to a VAT rate of 6%. Taxpayers exporting goods shall be subject to a VAT rate of 0%. The levy rate of VAT to which the simple tax computation method applies is 3%.

According to the Notice of the MOF and the SAT on the Weighted Deduction Policy for Value-added Tax on Integrated Circuit Enterprises (《財政部稅務總局關於積體電路企業增值稅加計抵減政策的通知》) (Cai Shui [2023] No. 17) promulgated on April 20, 2023, from January 1, 2023 to December 31, 2027, enterprises engaged in the design, production, closed beta test, equipment and materials of integrated circuits are allowed to deduct extra 15% of the deductible input tax in the current period from the VAT payable.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

The lawful currency of the PRC is the Renminbi. The SAFE, authorized by the People's Bank of China (the "**PBOC**"), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Foreign Exchange Regulations (《外匯管理條例》), all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and implemented on July 1, 1996, the other restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

According to relevant laws and regulations of the PRC, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprise that need to distribute profits to their shareholders in foreign exchange and Chinese enterprise that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

According to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council and effective on October 23, 2014, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled.

According to the Notice of the SAFE on Issues Relating to Foreign Exchange Control Pertaining to 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》) promulgated by the SAFE on December 26, 2014, a domestic company shall complete registration formalities for overseas listing with the SAFE's local branch at its place of registration within 15 working days from completion of issuance for its overseas listing. Funds raised from overseas listing of a domestic company may be repatriated to China or deposited overseas, and the usage of funds shall be consistent with the relevant contents set out in the document document and other disclosure documents.

According to the Notice of the SAFE on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment (《國家外匯管理局關於進一步簡化和改善直接投資外匯管理政策的通知》) issued by the SAFE on February 13, 2015 and effective on June 1, 2015, the SAFE has abolished the foreign exchange registration approval under domestic direct investment and overseas direct investment. Banks will review and carry out foreign exchange registrations under both domestic and overseas direct investment. The SAFE and its branches shall implement indirect supervision over foreign exchange registration of direct investment via the banks.

According to the Notice of the SAFE on Policies for Reforming and Regulating the Control 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》) promulgated by the SAFE on June 9, 2016 and amended on December 4, 2023, domestic institutions may settle their foreign exchange receipts under the capital account (including repatriated funds raised through overseas listing) entitled to discretionary settlement according to relevant policies with banks as actually needed for business operation. Domestic institutions may, at their discretion, settle up to 100% of their foreign exchange receipts under the capital account for the time being. The SAFE may adjust the aforesaid proportion in due time in light of the balance of payment.