TAXATION ON HOLDERS OF SECURITIES

The taxation of income and capital gains of holders of our H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of our H Shares are resident or otherwise subject to tax. The following summary of certain relevant tax provisions is based on current effective PRC laws and practices, and no predictions are made about changes or adjustments to relevant laws or policies, nor does it constitute legal or tax advice. This discussion does not deal with all possible tax consequences relating to an investment in our 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 tax advisers as to the tax implications of the H Shares. This discussion is based on the laws and relevant interpretations in force as at the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not cover any aspects of PRC taxes other than income tax, capital gains tax and profits tax, sales tax, value-added tax, stamp duty and estate tax. Prospective investors are urged to consult their financial adviser regarding the PRC and other tax consequences of owning and disposing of H Shares.

THE PRC TAXATION

Dividend Tax

Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》), or the Individual Income Tax Law, amended by the Standing Committee of the National People's Congress ("**SCNPC**") on 31 August 2018 and effective on 1 January 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 18 December 2018 and effective on 1 January 2019, dividends paid by the People's Republic of China ("**PRC**") companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus 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 Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission ("**CSRC**") on 7 September 2015 and effective on 8 September 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend and bonus income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend and bonus income shall be included in the taxable income at the rate of 50%; the aforesaid 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》) (the "**Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income**"), executed on 21 August 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 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 (《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稅和防止偷漏稅的安排〉第五議定書》) (the "**Fifth Protocol**"), issued by the State Administration of Taxation and effective on 6 December 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

According to the Enterprise Income Tax Law (《中華人民共和國企業所得稅法》), revised and effective on December 29, 2018, and the Implementation Regulations for 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》), revised on December 6, 2024 and effective on January 20, 2025, non-resident enterprises that do not have an establishment or place of business in China, or although having an establishment or place of business in China, the income derived from China is not actually related to the establishment or place of business set up in China, shall pay enterprise income tax at a general rate of 10% on income derived from within China (including dividends paid by Chinese resident enterprises listed and issued in Hong Kong). The withholding tax on the aforementioned income tax payable by non-resident enterprises shall be implemented at source, with the payer of income as the withholding agent. The withholding tax may be reduced or exempted in accordance with applicable treaties to avoid double taxation. The Notice on Issues Concerning the Withholding and Payment of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Non-Resident Enterprise Shareholders of Overseas H Shares (《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 by the State Taxation Administration and effective on November 6, 2008, further clarifies that for dividends distributed out of profits generated from January 1, 2008 onwards, PRC resident enterprises shall withhold and pay enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise H Shareholders. The Reply on the Issue of Enterprise Income Tax on Dividends on B Shares and Other Stocks Acquired by Non-Resident Enterprises (《國家稅務總局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復》) issued by the State Taxation Administration on July 24, 2009 further stipulates that any PRC resident enterprise listed on an overseas stock exchange shall withhold and pay enterprise income tax on behalf of the non-PRC resident enterprise shareholders at a rate of 10% on the dividends distributed to such shareholders. The above-mentioned tax rate may be further changed in accordance with tax treaties or agreements concluded between China 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, the Chinese government may levy a tax on dividends paid by Chinese companies to Hong Kong residents (including natural persons and legal entities), provided that the tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident holds directly 25% or more of the equity interest in a Chinese company, the tax shall not exceed 5% of the total amount of dividends payable by the Chinese company. The Fifth Protocol stipulates that arrangements or transactions made primarily for the purpose of obtaining the above tax benefits shall not be applicable to the above provisions. The implementation of the dividend clause of the tax agreement also needs to comply with the provisions of Chinese tax laws and regulations such as the Notice on Issues Concerning the Implementation of the Dividend Clause of the Tax Agreement (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) issued by the State Taxation Administration.

Taxation of Gains on Share Transfer

Individual Investors

Pursuant to the Individual Income Tax Law and its Implementation Regulations, individuals who disposes of equity interest in a PRC resident enterprise are subject to individual income tax levied on the gains on disposal at the tax rate of 20%.

According to the Circular on Individual Income Tax Continues to be Temporarily Exempted over Income of Individuals from the Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued by the Ministry of Finance ("**MOF**") and the (State Administration of

Taxation ("**SAT**") on March 30, 1998, with effect from January 1, 1997, income of individuals derived from transfer of the shares of listed companies continues to be exempted from individual income tax. Pursuant to the Announcement on the List of Individual Income Tax Preferential Policies Continues To Be Effective (《關於繼續有效的個人所得稅優惠政策目錄的公告》) issued by the MOF and the SAT on December 29, 2018, the Circular on Individual Income Tax Continues to be Temporarily Exempted over Income of Individuals from the Transfer of Shares shall continue to be effective.

Enterprise Investors

According to the Enterprise Income Tax Law and its implementing regulations, non-PRC resident enterprises that do not have an establishment or place of business in China, or although having an establishment or place of business in China, the income derived from China is not actually related to the establishment or place of business set up in China, shall pay enterprise income tax on income derived from within China at a general rate of 10%. The above-mentioned tax may be reduced or exempted in accordance with applicable tax agreements or arrangements.

Tax Policy on Shanghai-Hong Kong Stock Connect

On October 31, 2014, the Ministry of Finance, the State Taxation Administration, and the CSRC jointly issued the Notice on Tax Policies for the Pilot Program of Shanghai-Hong Kong Stock Market Trading Interconnection Mechanism (《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》) (hereinafter referred to as the "**Shanghai-Hong Kong Stock Connect Tax Policy**").

Pursuant to the Announcement on Extending the Implementation of Individual Income Tax Policies Relating to the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect Mechanisms and the Mutual Recognition of Funds Between the Mainland and Hong Kong (MOF, SAT and CSRC Announcement [2023] No. 23) (《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》財政部稅務總局證監會公告2023年第23號) issued on 21 August 2023 and effective on the same date, gains derived by Mainland individual investors from the transfer of shares listed on the SEHK through the Stock Connect shall continue to be temporarily exempt from individual income tax for the period from 5 December 2019 to 31 December 2027.

Pursuant to the Circular on Tax Policies Relating to the Pilot Scheme of the Shanghai-Hong Kong Stock Market Trading Connect Mechanism (Caishui [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》財稅[2014] No. 81), dividend income derived by Mainland enterprise investors from investing in shares listed on the SEHK through the Stock Connect shall be included in their total income and subject to enterprise income tax in accordance with the law. Among them, dividend income derived by Mainland resident enterprises from continuously holding H-shares for a period of 12 months or more shall be exempt from enterprise income tax in accordance with the law. H-share issuers shall not withhold enterprise income tax on dividends payable to Mainland enterprise investors, and such tax liabilities shall be declared and paid by the relevant enterprises themselves.

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 on June 10, 2021, and effective from July 1, 2022, units and individuals that have executed taxable instruments or conducted securities transactions within the territory of the People's Republic of China are taxpayers of stamp tax and shall pay stamp tax in accordance with the provisions of this law, or units and individuals that have executed taxable instruments outside the territory of the People's Republic of China for use within the territory shall pay stamp tax in accordance with the provisions of this law.

Estate Duty

As of the date of this document, there is currently no estate duty in China.

PRINCIPAL TAXATION OF THE COMPANY IN THE PRC

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law (《中華人民共和國企業所得稅法》), the enterprise income tax rate for Chinese enterprises is 25%, which is in line with the applicable tax rates for foreign-invested enterprises and foreign enterprises. Pursuant to the Administrative Measures for the Recognition of High and New Technology Enterprises (《高新技術企業認定管理辦法》) promulgated by the Ministry of Science and Technology of the People's Republic of China, the Ministry of Finance, and the State Taxation Administration on April 14, 2008, as revised on January 29, 2016, and effective from January 1, 2016, enterprises recognized as high and new technology enterprises may apply for a preferential enterprise income tax rate of 15% in accordance with the Enterprise Income Tax Law.

Value-added Tax ("VAT")

Pursuant to the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法》) promulgated by the SCNPC on December 25, 2024 and became effective on January 1, 2026, VAT rates are 0%, 3%, 6%, 9% and 13%, respectively, depending on their businesses, among which the self-produced agricultural products sold by agricultural producers are exempted from VAT.

FOREIGN EXCHANGE ADMINISTRATION

The lawful currency of the PRC is the Renminbi. The State Administration of Foreign Exchange ("**SAFE**"), authorized by the People's Bank of China ("**PBOC**"), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations. Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》) amended by the State Council and became effective on 5 August 2008, 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 20 June 1996 and became effective on 1 July 1996, the remaining 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 23 October 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 State Administration of Foreign Exchange 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》) issued on 13 February 2015 and came into effect on 1 June 2015, the SAFE has canceled the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment, instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.