TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of H shares are subject to the laws and practices of the PRC and of the jurisdictions in which holders of H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, has not taken into account the possible 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 investment in the H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulation. Accordingly, you should consult your own tax adviser regarding the tax consequences of an investment 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 investors are urged to consult their financial advisers regarding the PRC and other tax consequences of owning and disposing 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》), amended by the SCNPC on 31 August 2018 and effective on 1 January 2019, and the Implementation Regulations for 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》) amended by the State Council on 18 December 2018 and effective on 1 January 2019, dividends paid by PRC companies to individual investors shall be subject to proportional tax 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 ("MOF"), 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 acquires the stocks of a listed company from public offering of the company or from the stock market and holds the stocks for more than one year, the income from dividends and bonuses shall be temporarily exempt from individual income tax. Where an individual acquires the stocks of a listed company from public offering of the company or from the stock market and holds the stocks for not more than one month, the income from dividends and bonuses shall be included in the taxable income in full amount; or if the individual holds the stocks for more than one month but not more than one year, the income from dividends and bonuses shall be temporarily included in the taxable income at the reduced rate of 50%. Individual income tax on the aforesaid income shall be calculated and collected at the uniform rate of 20%.

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》), or 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 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》第五議定書) ("**the Fifth Protocol**"), issued by The State Taxation Administration and effective on 6 December 2019, provides that such provisions shall not apply to arrangements or transactions made for one of the principle 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稅法》) (the "**EIT Law**"), amended by the SCNPC and effective 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》) ("Implementation Rules of the EIT Law"), amended by the State Council on 6 December 2024 and effective on 20 January 2025, a non-resident enterprise is subject to a reduced 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, If a non-resident enterprise either does not have an establishment or place of business in the PRC, or has an establishment or place of business in the PRC but its PRC-sourced income is not effectively connected with that establishment or place of business, the income tax payable by the non-resident enterprise shall be withheld at source. The payer will act as the withholding agent and must withhold the tax from each payment or amount due at the time of payment or when it becomes due. This tax may be reduced or exempted in accordance with an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice of the State Administration of Taxation 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 (《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 Administration of Taxation and effective on 6 November 2008, a PRC resident enterprise paying dividends for the year of 2008 or any year thereafter to its H-share holders which are overseas non-resident enterprises shall withhold the enterprise income tax thereon at the uniform rate of 10%.

According 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 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 primary purposes of obtaining such tax benefits.

In accordance with applicable regulations, we intend to withhold tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of our H Shares. Non-PRC resident enterprises eligible for a reduced tax rate under an applicable income tax treaty must apply to the PRC tax authorities for a refund of any excess withholding beyond the treaty rate. The issuance of such refunds is subject to verification by the PRC tax authorities.

Tax Related to Equity Transfer Income

Individual Investors

Under the PRC Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular of the MOF and the State Administration of Taxation on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals (《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》), which was promulgated and became effective on 30 March 1998, from 1 January 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. The State

Administration of Taxation does not specify whether the income from the transfer of shares in listed companies by individuals will continue to be exempted from personal income tax under the newly revised EIT Law and Implementation Rules of the EIT Law.

Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at a rate of 10% on PRC-sourced income, including gains from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in the PRC or if it has an establishment or premises in the PRC but the PRC-sourced income is not effectively connected to them. This income tax payable by non-PRC resident enterprises is subject to withholding at source, with the payer acting as the withholding agent. The withholding agent must deduct the tax from each payment or amount due at the time of payment or when it becomes due. Such tax may be reduced or exempted under applicable tax treaties or agreements.

Shanghai-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Market Connect 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》) promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC on 31 October 2014 and effective on 17 November 2014, for dividends and bonuses obtained by mainland individual investors from investments in H shares listed on the SEHK through the Shanghai-Hong Kong Stock Interconnection, H share companies shall submit applications to China Securities Depository and Clearing Corporation Limited ("CSDC") to get the register of individual mainland investors and withhold the individual income tax at the tax rate of 20%; for dividends and bonuses obtained by mainland individual investors from investments in non-H shares listed on the SEHK through the Shanghai-Hong Kong Stock Interconnection, the CSDC shall withhold individual income tax at the tax rate of 20%; for taxes withheld abroad, individual investors may apply to competent taxation authorities under the CSDC for tax credit upon the strength of valid tax withholding vouchers; and for dividends and bonuses obtained by mainland securities investment funds from investments in stocks listed on the SEHK through the Shanghai-Hong Kong Stock Interconnection, individual income tax shall be levied in accordance with above provisions.

Pursuant to the Announcement on Extending the Relevant Individual Income Tax Policies on the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Market Connect Mechanism and the Mutual Recognition of Funds between the Mainland 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》) which was promulgated on 21 August 2023 and implemented on the same date, the transfer price difference income that obtained by mainland individual investors from investing in the stocks listed on the SEHK through the Shanghai-Hong Kong Stock Interconnection or the Shenzhen-Hong Kong Stock Interconnection and from buying and selling Hong Kong fund shares through mutual recognition of funds shall continue to be exempted from individual income tax until 31 December 2027.

Pursuant to the Notice of the MOF, the State Administration of Taxation and the CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Market Connect Mechanism (《財政部國家稅務總局證監會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》), mainland corporate investors' income from dividends and bonuses of investment in stocks listed on the SEHK through the Shanghai-Hong Kong Stock Interconnection shall be included into the total income and subject to the enterprise income tax. Income of mainland resident enterprises obtained from dividends and bonuses of H shares held for twelve consecutive months or more shall be exempted from enterprise income tax according to the law. When mainland corporate investors declare and pay enterprise income taxes on their own, they may apply for tax credit for the income tax of dividends and bonuses withheld by non-H-share listed companies on the SEHK.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated on 10 June 2021 and came into effect on 1 July 2022, the disposal of H shares by non-mainland investors outside of the mainland China is not subject to the requirements of the Stamp Duty Law of the PRC.

Estate Tax

According to PRC law, no estate tax is currently levied in the mainland China.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), within the territory of the PRC, the enterprises and other organizations that have incomes are taxpayers of enterprise income tax and shall pay enterprise income tax in accordance with this law.

Enterprises are classified into resident and non-resident enterprises. An enterprise established in the PRC or established outside of the PRC but having its actual management body in the PRC is a resident enterprise for PRC enterprise income tax purpose and shall pay enterprise income tax at the rate of 25% on its income derived from within and outside the PRC. A non-resident enterprise that does not have an establishment or place of business in the PRC, or has an establishment or place of business in the PRC but the income has no actual connection to such establishment or place of business, shall pay enterprise income tax at the rate of 20% on its income derived from within the PRC, which shall be withheld at source by the payer. Meanwhile, any gains realized on the transfer of shares by non-resident enterprises are subject to enterprise income tax by way of withholding if such gains are regarded as income derived from the transfer of property within the PRC.

Value-Added Tax

Pursuant to the Value-added Tax Law of the PRC (《中華人民共和國增值稅法》), promulgated on 25 December 2024 and effective on 1 January 2026, entities and individuals that sell goods or provide processing, repair and maintenance services, or import goods within the territory of the PRC are taxpayers of value-added tax ("VAT"), and shall pay VAT in accordance with this law. For taxpayers selling or importing goods, the VAT rate is generally 13% unless otherwise specified in the aforesaid regulations.

According to the Notice of the MOF and the State Administration of Taxation on Adjusting to VAT Rates (《財政部、稅務總局關於調整增值稅稅率的通知》), promulgated on 4 April 2018, and effective as of 1 May 2018, the VAT rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively.

According to the Announcement of the MOF, the State Administration of Taxation and General Administration of Customs on Relevant Policies for Deepening Value-Added Tax Reform (《財政部稅務總局海關總署關於深化增值稅改革有關政策的公告》), promulgated on 20 March 2019 and effective on 1 April 2019, the VAT rates of 16% and 10% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 13% and 9%, respectively.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

The lawful currency of the PRC is the Renminbi. The State Administration of Foreign Exchange (the "**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 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 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 the 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 Circular of the SAFE on Relevant Issues Concerning the Foreign Exchange Administration of 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 and effective on 26 December 2014, the SAFE, along with its branches and foreign exchange bureau, oversees the business registration, account management, cross-border transactions, and capital exchanges involved in the overseas listing of domestic companies. Domestic companies must register their overseas listings with the local foreign exchange bureau within 15 working days after completing the listing and issuance. Additionally, domestic shareholders planning to increase or decrease their holdings of shares in an overseas listed company must register these changes with their local foreign exchange bureau at least 20 working days prior to the planned increase or decrease, submitting the necessary materials. Furthermore, domestic companies (excluding banking and financial institutions) are required to open a special foreign exchange account with a domestic bank to handle remittances and fund transfers related to their initial or additional offerings and repurchase activities.

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 coming into effect on 1 June 2015, the SAFE has cancelled the confirmation of foreign exchange registration of domestic or overseas direct investment. Instead, banks shall directly examine and handle foreign exchange registration of domestic and overseas direct investment, and the SAFE and its branch offices shall indirectly supervise the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Management Policies of Settlement under Capital Account Items (《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》) issued and implemented by the SAFE on 9 June 2016, foreign currency earnings under capital account for which voluntary exchange settlement policies have been clearly implemented (including the funds transferred back from overseas listings) may be settled in banks according to actual business needs of domestic entities. The voluntary settlement ratio of foreign currency earnings of domestic institutions under capital account is tentatively set at 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.