TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares shall be subject to PRC laws and practices, as well as the laws and practices of the jurisdiction in which the holders of the H shares resides or any other jurisdiction in respect of which the holder of the H shares is subject to tax. The following summary of certain tax provisions is based on current laws and practices, does not take into account any anticipated changes or amendments to relevant laws or policies, and does not constitute any opinion or recommendation. This discussion does not address all possible tax consequences associated with **[REDACTED]** in H shares, nor does it take into account the specific circumstances of any particular **[REDACTED]**, some of whom may be subject to special regulations. Accordingly, you should consult your professional tax advisor regarding the tax consequences of **[REDACTED]** in H shares. This discussion is based on the laws and relevant interpretations in effect as of the Latest Practicable Date, which are subject to change or adjustment and may have retroactive effect.

Save for income tax, capital gains tax and profits tax, business tax, value-added tax, stamp duty and estate duty, this discussion does not address any other aspects of PRC taxation. Accordingly, you should consult your own financial advisor regarding the PRC and other tax consequences of holding and disposing of H shares.

Taxation in the PRC

Taxation on Dividends

Individual investors

Pursuant to the Individual Income Tax Law of the PRC (the "Individual Income Tax Law") 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 PRC, as amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by a PRC company to individual investors are generally subject to individual income tax at a flat rate of 20%, which shall be withheld and paid by the payer. Meanwhile, pursuant to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies, issued by the MOF, the STA and the CSRC on September 7, 2015 and effective on September 8, 2015, for individual investors who obtain shares of a listed company from the public offering and transfer market, if the shareholding period exceeds 1 year, the individual income tax on the dividends and bonuses derived therefrom shall be temporarily exempted. If the shareholding period is within 1 month (inclusive), the full amount of dividends and bonuses derived therefrom shall be included in the taxable income; if the shareholding period is more than 1 month but within 1 year (inclusive), 50% of the dividends and bonuses derived therefrom shall be temporarily included in the taxable income. The above-mentioned income are subject to individual income tax at a unified rate of 20%.

Pursuant to the Arrangement between 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 (the "Double Taxation Avoidance Arrangement") effective on December 8, 2006, the PRC government may tax dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities), provided that such tax does 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 the PRC company, and such 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. Pursuant to the Fifth Protocol to the Arrangement between 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 (the "Fifth Protocol"), which became effective on December 6, 2019, the above provisions shall not apply to arrangements or transactions where one of the principal purposes is to obtain such tax benefits.

Corporate Investors

Pursuant to the Enterprise Income Tax Law of the PRC (the "Enterprise Income Tax Law") amended by the SCNPC and effective on December 29, 2018, and the Implementation Rules of the Enterprise Income Tax Law of the PRC (the "Implementation Rules of the Enterprise Income Tax Law"), as amended by the State Council on December 6, 2024 and effective on January 20, 2025, if a non-resident enterprise has no establishment or place of business in the PRC, or has an establishment or place of business but the income derived is not effectively connected with such establishment or place of business, it shall pay enterprise income tax at a rate of 10% on its income derived from sources within the PRC (including dividends paid by a PRC resident enterprise whose shares are issued and listed in Hong Kong).

Tax payable on income derived by the aforesaid non-resident enterprises shall be withheld at source, with the payer as the withholding agent. The withholding agent shall withhold income tax from the amount paid or due each time payment is made or due. Such taxes may be reduced or exempted under applicable double taxation avoidance agreements.

Pursuant to 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 issued and effective by the STA on November 6, 2008, PRC resident enterprises shall uniformly withhold enterprise income tax at the rate of 10% when distributing dividends for 2008 and subsequent years to non-resident enterprise holders of overseas H shares. The Reply on the Collection of Enterprise Income Tax on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares promulgated and effective by the STA on July 24, 2009 further stipulates that PRC resident enterprises that issue and list shares (including A Shares, B Shares and overseas shares) on stock exchanges inside and outside the PRC must uniformly withhold enterprise income tax at the rate of 10% when distributing dividends for 2008 and subsequent years to non-resident enterprise shareholders. Where applicable, the above tax rate may be further adjusted in accordance with tax treaties or agreements signed between the PRC and the relevant jurisdictions.

Pursuant to the Double Taxation Avoidance Arrangement, the PRC government may levy tax on dividends paid by PRC companies to Hong Kong residents (including natural persons and legal entities), provided that such tax shall not exceed 10% of the total amount of dividends payable by PRC companies. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, and such 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. Pursuant to the Fifth Protocol, the above provisions shall not apply to arrangements or transactions the main purpose of which is to obtain such tax benefits.

Subject to applicable regulations, we intend to withhold tax at the rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares (including **[REDACTED]** Limited). Non-PRC resident enterprises entitled to reduced tax rates under applicable income tax treaties shall be required to apply to the PRC tax authorities for a refund of any withheld amount in excess of the applicable treaty rate, and such refund is subject to verification by the PRC tax authorities.

Taxes on Gains from Equity Transfer

Individual investors

Pursuant to the Individual Income Tax Law and its Implementation Rules, gains derived by individuals from the transfer of equity interests in PRC resident enterprises are subject to individual income tax at the rate of 20%. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals promulgated by the MOF and the STA and effective on March 30, 1998, income derived by individuals from the transfer of shares of listed companies have been temporarily exempted from individual income tax since January 1, 1997. Although the Individual Income Tax Law and its Implementation Rules do not specify whether individual income tax on income derived from individual transfer of listed company shares shall continue, the Notice on Issues Concerning the Imposition of Individual Income Tax on Income from Transfer of Restricted Shares of Listed Companies jointly promulgated by the MOF, the STA and the CSRC on December 31, 2009 and effective on the same day, the Notice on Issues Concerning the Collection and Payment of Individual Income Tax on Income from Transfer of Restricted Shares issued by the STA on January 18, 2010 and effective on the same day, and the Supplementary Notice on Issues Concerning the Imposition of Individual Income Tax on Income from Transfer of Restricted Shares of Listed Companies promulgated by the MOF, the STA and the CSRC on November 10, 2010 and effective on the same day all stipulate that individual income tax on income derived by individuals from the transfer of shares listed on certain domestic stock exchanges (including the Shanghai Stock Exchange and the Shenzhen Stock Exchange) shall continue to be exempted, except for restricted shares. As of the Latest Practicable Date, the above provisions do not explicitly provide whether individual income tax shall be levied on gain imposed incomes from the sale of shares of PRC resident enterprises listed on overseas stock exchanges by non-PRC resident individuals. To our knowledge, in practice, the PRC tax authorities have not imposed income tax on gains derived by non-PRC resident individuals from the sale of shares of PRC resident enterprises listed on overseas stock exchanges.

Corporate Investors

Pursuant to the Enterprise Income Tax Law and its Implementation Rules, a non-resident enterprise that has no establishment or place of business in the PRC, or that has an establishment or place but the income derived has no actual connection with such establishment or place of business, shall pay enterprise income tax at the rate of 10% on its income sourced in the PRC (including gains derived from the disposal of equity interests in PRC resident enterprises). Tax payable on income derived by the aforesaid non-resident enterprises shall be withheld at source, with the payer as the withholding agent. The withholding agent shall withhold income tax from the payments made or payable when each payment is made or becomes due. Such taxes may be reduced or exempted under the applicable double taxation avoidance agreement.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (中華人民共和國印花稅法) promulgated on 10 June 2021 which took effect on 1 July 2022, the entities and individuals that conclude taxable certificates, or conduct securities transactions within the territory of the PRC shall be taxpayers of stamp tax, and shall pay stamp tax in accordance with the provisions of this law; where entities or individuals, outside the territory of the PRC, conclude taxable certificates that are used within the territory of the PRC, they shall pay stamp tax in accordance with the provisions of this law. Accordingly, investors outside Mainland China shall not be subject to the requirements of the Stamp Duty Law when disposing of H shares outside the PRC.

Inheritance tax

Under PRC laws, as of the Latest Practicable Date, there is currently no estate duty in the PRC.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law and its Implementation Rules, enterprises and other organizations that derive income in the PRC are taxpayers of enterprise income tax and are required to pay enterprise income tax in accordance with the provisions of this Law. The rate of enterprise income tax is 25%. Pursuant to the Administrative Measures for the Recognition of High and New Technology Enterprises promulgated by the Ministry of Science and Technology, the MOF and the STA on April 14, 2008, amended on January 29, 2016 and effective on January 1, 2016, enterprises recognized as high and new technology enterprises may enjoy a preferential enterprise income tax rate of 15% in accordance with the relevant provisions of the Enterprise Income Tax Law.

Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that has no establishment or place of business in the PRC, or that has an establishment or place of business but the income derived has no actual connection with such establishment or place of business, shall pay enterprise income tax on its income sourced in the PRC. Tax payable by the aforesaid non-resident enterprises shall be withheld at source, with the payer as the withholding agent. The withholding agent shall withhold income tax from the amount paid or due each time payment is made or due. Meanwhile, any gains derived by such investors from the transfer of shares are subject to enterprise income tax and withheld at source if deemed to be income from the transfer of property sourced in the PRC.

Value-Added Tax

Pursuant to the Value-Added Tax Law of the PRC promulgated by the SCNPC on December 25, 2024 and effective on January 1, 2026, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, real estate or import goods in the PRC are taxpayers of value-added tax and shall pay value-added tax in accordance with the law. Unless otherwise provided in such regulations, a value-added tax rate of 13% shall apply to the sale of goods, processing, repairs and maintenance services, the provision of tangible movable property leasing services and the import of goods.

In accordance with the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (財政部、稅務總局關於調整增值稅稅率的通知), which was promulgated on April 4, 2018 and became effective on May 1, 2018, the tax rates of 17% and 11% applicable to taxpayers engaging in VAT taxable sales activities or importing goods were adjusted to 16% and 10%, respectively. Pursuant to the Announcement of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the 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 March 20, 2019 and effective from April 1, 2019, the value-added tax rates shall be adjusted to 13% and 9%, respectively.

Foreign Exchange Administration in the PRC

The legal tender of the PRC is the Renminbi (RMB). The State Administration of Foreign Exchange (SAFE) is authorized by the People's Bank of China (PBOC) to administer all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the PRC on Foreign Exchange Control amended by the State Council and effective on August 5, 2008, all international payments and transfers are classified into current account and capital account items. The PRC does not impose restrictions on international payments and transfers under current accounts. Foreign exchange income under current accounts may be retained or sold to financial institutions engaged in foreign exchange settlement and sale businesses. Retention or sale of foreign exchange income under capital accounts to financial institutions engaged in foreign exchange settlement and sale businesses are subject to the approval of foreign exchange authorities, unless otherwise stipulated by the state.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange promulgated by the PBOC on June 20, 1996 and effective on July 1, 1996, restrictions on foreign exchange conversion under current accounts have been lifted, while restrictions on foreign exchange transactions under capital accounts remain.

Pursuant to relevant PRC laws and regulations, when PRC enterprises (including foreign-invested enterprises) require foreign exchange for current account transactions, they may make direct payments from their foreign exchange accounts at designated foreign exchange banks upon production of valid documents and transaction vouchers without prior approval from SAFE. Foreign-invested enterprises that need to distribute profits to shareholders in foreign exchange, or PRC enterprises that need to pay fixed foreign exchange-denominated dividends in accordance with regulations, may make direct payments from their foreign exchange accounts or complete payment procedures at designated foreign exchange banks upon production of board resolutions on profit distribution.

Pursuant to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters promulgated and effective by the State Council on October 23, 2014, SAFE and its branches have canceled the administrative approval for the remittance and settlement of funds raised from overseas listings.

According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Administration of Funds of Domestic Enterprises Listed Overseas (中國人民銀行、國家外匯管理局關於境內企業境外上市資金管理有關問題的通知), which is issued on December 24, 2025 and will be effective on April 1, 2026:

- The PBOC, SAFE and their branches shall supervise, administer and inspect the business registration, account opening and use, cross-border receipts and payments, fund exchange and other activities involving overseas listings of domestic enterprises.

- Domestic enterprises conducting overseas listings shall apply for overseas listing registration to banks within the province-level or city specifically designated in the state plan (collectively referred to as "local banks") within 30 working days from the first trading day of overseas **[REDACTED]** or upon completion of the **[REDACTED]**.

- Fund exchange related to overseas listings of domestic enterprises (excluding banks) shall be conducted through capital account settlement accounts (account code 2103, scope of receipts and payments is set out in Appendix 2) or domestic RMB bank settlement accounts. Domestic enterprises that need to open new capital account – settlement accounts for overseas listing business shall do so upon submission of overseas listing business registration certificates.

- After domestic enterprises complete overseas listings, their domestic shareholders that reduce their holdings of overseas listed shares shall apply for reduction registration with the local banks of the domestic shareholders upon production of relevant materials within 30 working days before or after the reduction.

- Domestic shareholders intending to increase their holdings of overseas shares of domestic enterprises shall apply for increase registration with the local SAFE branches upon production of the following materials within 20 working days prior to the proposed increase.

Pursuant to the Notice of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment issued on February 13, 2015 and effective on June 1, 2015, SAFE has abolished the approval of foreign exchange registration for inbound direct investment and outbound direct investment, and instead banks shall directly examine and handle foreign exchange registration for inbound direct investment and outbound direct investment (collectively referred to as "direct investment foreign exchange registration") in accordance with this Notice and the Guidelines for the Operation of Direct Investment Foreign Exchange Business, while SAFE and its branches shall conduct indirect supervision over direct investment foreign exchange registration through banks.

Pursuant to the Notice of the SAFE on Reforming and Regulating Capital Account Foreign Exchange Settlement Policies issued by SAFE on June 9, 2016 and last amended and implemented on December 24, 2023, capital account foreign exchange income subject to voluntary settlement (including foreign exchange capital, foreign debt funds and funds repatriated from overseas listings, etc.) may be settled at banks according to the actual operational needs of domestic institutions. The voluntary settlement ratio of capital account foreign exchange income of domestic institutions is temporarily set at 100%, and SAFE may adjust the above ratio from time to time according to the balance of payments situation.