Income tax and capital gains tax of holders of the H shares is subject to the laws and practices of the People's Republic of ("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 your [**REDACTED**] 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 your [**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 the Chinese Mainland taxation other than income tax, value-added tax, stamp duty and estate duty. Prospective investors are advised to consult their tax advisers regarding the Chinese Mainland and elsewhere tax consequences of owning and disposing of the H shares.

TAXATION IN THE CHINESE MAINLAND

Tax on Dividends

Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》), or the Individual Income Tax Law, lastly 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 PRC (《中華人民共和國個人所得税法實施條例》) lastly amended by the State Council on 18 December 2018 and effective on 1 January 2019, dividends paid by the Chinese Mainland 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税政策有關問題的通知》) jointly issued by the Ministry of Finance (MOF), the State Administration of Taxation (SAT) 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 and market transfer, if the holding period is more than one year, the dividends and bonus income shall be temporarily exempted from individual income tax. Where an individual holds shares of a listed company from the public offering and market transfer, if the holding period is within one month (inclusive), the dividend 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 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 Chinese 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税和防止偷漏税的安排》), signed on 21 August 2006, the government may impose tax on dividends paid by a company in the Chinese Mainland 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 company in the Chinese Mainland 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 company in the Chinese Mainland. The Fifth Protocol to the Arrangement between the Chinese 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 (《國家税務總局關於<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), or the Fifth Protocol, issued by the SAT 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

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), or the EIT Law, lastly amended by the SCNPC on 29 December 2018 and effective on the same day, and the Implementation Rules of the EIT Law of the PRC (《中華人民共和國企業所得税法實施條例》), or the Implementation Rules of the EIT Law, last amended on December 16, 2024, and effective on January 20, 2025, a non-resident enterprise ("NRE") is subject to a 10% EIT on the Chinese Mainland-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such NRE does not have an establishment or place of business in the Chinese Mainland or has an establishment or place of business in the Chinese Mainland but the Chinese Mainland-sourced income is not actually connected with such establishment or place of business in the Chinese Mainland. The aforesaid income tax payable by NREs shall be withheld at source, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payable amount. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the EIT 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》) issued by the SAT on 6 November 2008 and effective on the same day, a PRC resident enterprise is required to withhold EIT at a unified rate of 10% on dividends paid to overseas NRE holders of H shares which are derived out of profit generated since 2008. The Reply on the Collection of EIT on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (《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》), promulgated by the SAT on 24 July 2009 and effective on the same day, further provides that PRC-resident enterprises listed on the Chinese Mainland and overseas stock exchanges by issuing stocks must withhold EIT at a flat rate of 10% on dividends of 2008 and onwards that it distributes to NRE shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that the PRC government has concluded with a relevant country or region, where applicable.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the tax authorities in the Chinese Mainland for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the Chinese Mainland tax authorities' verification.

Tax Related to Share Transfer Income

Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realised on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals (《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 by the MOF and the SAT on 30 March 1998 and effective on the same day, 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 SAT does not specify whether to continue to exempt individuals from individual income tax on the income from the transfer of shares in listed company in the newly revised EIT Law and its implementation rules.

Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to EIT at the rate of 10% with respect to Chinese Mainland-sourced income, including gains derived from the disposal of shares in a Chinese Mainland resident enterprise, if it does not have an establishment or place of business in the Chinese Mainland or has an establishment or place of business in the Chinese Mainland but the Chinese Mainland-sourced income is not actually connected with such establishment or place of business in the Chinese Mainland. The aforesaid income tax payable by NREs shall be withheld at source, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under the applicable tax treaties or arrangements on the avoidance of double taxation.

Shanghai-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect (《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 MOF, the SAT and the CSRC on 31 October 2014 and effective on 17 November 2014, transfer spread income derived by enterprises in the Chinese Mainland from stock investment listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect shall be included in their total income and subject to EIT according to law.

Pursuant to the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds (《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 CSRC on 21 August 2023 and effective on the same day, the transfer spread income derived by individual investors in the Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax from 1 January 2023 to 31 December 2027.

Pursuant to the Notice on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect, for dividends and bonuses received by individual investors in the Chinese Mainland from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H-share companies shall apply to China Securities Depository and Clearing Corporation (CSDCC) for providing the register of individual investors in the Chinese Mainland to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors. Dividends derived by enterprise investors in the Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect are included in their total income and subject to EIT according to law. Pursuant to which, dividend income obtained by resident enterprises in the Chinese Mainland from holding H shares for 12 consecutive months shall be exempted from EIT according to law. H-share companies listed on the Hong Kong Stock Exchange shall apply to CSDCC for providing the register of enterprise investors in the Chinese Mainland to the H-share companies. The H-share companies shall not withhold income tax on dividends and bonus income for enterprise investors in the Chinese Mainland. The tax payable shall be declared and paid by the enterprise itself.

Shenzhen-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (《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》) promulgated by the MOF, the SAT and the CSRC on 5 November 2016 and effective on 5 December 2016, transfer spread income derived by enterprise investors in the Chinese Mainland from stock investment listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to EIT according to law.

Pursuant to the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds promulgated by the MOF, the SAT and the CSRC on 21 August 2023 and effective on the same day, the transfer spread income derived by individual investors in the Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax from 1 January 2023 to 31 December 2027.

Pursuant to the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect, for dividends and bonuses received by individual investors in the Chinese Mainland from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDCC for providing the register of individual investors in the Chinese Mainland to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors. Dividends derived by enterprise investors in the Chinese Mainland from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect are included in their total income and subject to EIT according to law. Pursuant to which, dividend income obtained by resident enterprises in the Chinese Mainland from holding H shares for 12 consecutive months shall be exempted from EIT according to law. H-share companies listed on the Hong Kong Stock Exchange shall apply to CSDCC for providing the register of enterprise investors in the Chinese Mainland to the H-share companies. The H-share companies shall not withhold income tax on dividends and bonus income for enterprise investors in the Chinese Mainland. The tax payable shall be declared and paid by the enterprise itself.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花税法》) promulgated by the SCNPC on 10 June 2021 and effective on 1 July 2022, the purchase and disposal of H shares by non-Chinese Mainland investors outside of the Chinese Mainland are not subject to the requirements of the Stamp Duty Law of the PRC.

Estate Duty

Pursuant to the laws of the PRC, no estate duty is currently levied in the Chinese Mainland.

MAJOR TAXATION OF OUR COMPANY IN THE CHINESE MAINLAND

EIT

According to the EIT Law, enterprises and other income-generating organizations (hereinafter collectively referred to as "enterprises") within the Chinese Mainland are the taxpayers of EIT and shall pay EIT in accordance with the provisions of the EIT Law. The EIT rate is 25%. Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that does not have an establishment or place of business in the Chinese Mainland or has an establishment or place of business in the Chinese Mainland, but the income has no actual connection to such establishment or place of business, shall pay EIT on its income within the Chinese Mainland and withhold at source. Such EIT shall be withheld at source, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due.

VAT

Pursuant to the Value-Added Tax Law of the PRC (《中華人民共和國增值税法》) promulgated on 25 December 2024 and effective on 1 January 2026, all entities and individuals within the Chinese Mainland engaging in the sale of goods, labour services, services, intangible assets, and immovable properties, as well as the importation of goods, shall be taxpayers of VAT and pay VAT. Unless otherwise prescribed by this Law, the VAT rates are classified into three tiers: A rate of 13% shall apply to the sale of goods, labour services, tangible movable property leasing services, and the importation of goods; A rate of 9% shall apply to the sale of transportation, postal, basic telecommunications, construction and immovable property leasing services, the sale of immovable properties, the transfer of land use rights, as well as the sale or importation of specified goods such as agricultural products, tap water, books and feed; A rate of 6% shall apply to the sale of other services and intangible assets. Prior to the implementation of this Law, the currently effective VAT rates (i.e., 13%, 9% and 6%) have been aligned with those stipulated herein.

FOREIGN EXCHANGE ADMINISTRATION

The legal currency of the Chinese Mainland is the Renminbi. The SAFE, authorised by 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 Regulations of the PRC on Foreign Exchange Control (《中華人民共和國外匯管理條例》) announced by the State Council on 5 August 2008 and effective on the same day, all international payments and transfers are classified into current account items and capital account items. The Chinese Mainland does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of enterprises in the Chinese Mainland 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.

Pursuant to relevant foreign exchange laws and regulations of the Chinese Mainland, the Chinese Mainland 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.

Pursuant to the Decision of the State Council on Cancelling 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 cancelled.

Pursuant 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 on 26 December 2014 and effective on the same day, the relevant provisions on foreign exchange administration of domestic joint stock companies ("domestic companies") listed overseas are as follows: (i) The SAFE and its branches and the Foreign Exchange Management Department (the "Foreign Exchange Bureau"), supervise, manage and inspect the business registration, account opening and use, cross-border income and expenditure, and capital exchange involved in the overseas listing of domestic companies. (ii) A domestic company shall, within 15 working days after the completion of the overseas listing and issuance, register the overseas listing with the Foreign Exchange Bureau at the place where it is registered with relevant materials. (iii) A domestic company (other than banking financial institutions) shall, by virtue of its registration certificate for overseas listing business, open a special foreign exchange account for overseas listing of domestic companies with a domestic bank for its initial offering (or additional offering) and repurchase business to handle the remittance and transfer of funds for the relevant business.

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 effective on 1 June 2015, the SAFE has cancelled 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.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionize and Regulate Capital Account Settlement Management Policies (《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 by the SAFE on 9 June 2016 and effective on the same day, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.