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無錫盛力達科技股份有限公司

Wuxi Sunlit Science and Technology Company Limited*

(A joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 1289)

VOLUNTARY ANNOUNCEMENT

WITHHOLDING TAX

This announcement is made by the board of directors (the “**Board**”) of 無錫盛力達科技股份有限公司 (Wuxi Sunlit Science and Technology Company Limited)* on a voluntary basis.

WITHHOLDING TAX

Dividend Distribution

Pursuant to 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》) (the “**Enterprise Income Tax Law**”) and the Notice of the State Administration of Taxation on the Issues concerning Withholding and Payment of the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders which are Overseas Non-resident Enterprises* (Guoshuihan [2008] No. 897), any Chinese domestic enterprise which pays dividend to a non-resident enterprise shareholder in respect of accounting periods beginning from 1 January 2008 shall withhold and pay 10% enterprise income tax for such shareholder.

As such, the Company is required to withhold and pay enterprise income tax at the rate of 10% when it distributes the final dividends to its non-resident enterprise shareholders under the Enterprise Income Tax Law.

Non-resident Enterprise Shareholders

Pursuant to Article 3 of the Enterprise Income Tax Law, where a non-resident enterprise has not set up any institutions or establishments in the People’s Republic of China (the “**PRC**”), or it has done so but the income it earns is not actually relevant to the said institutions or establishments, it shall pay tax on the portion of its income generated

from inside the PRC. The dividend income received by the holders of H shares of the Company (the “**H Shareholders**”) in Hong Kong who are not individuals falls under such category. Hence, such H Shareholders have an obligation to report and pay the relevant amount of enterprise income tax to the relevant PRC tax authority. According to relevant tax laws, the Company (as the payer of the dividend) is obligated to withhold and pay the enterprise income tax to the relevant PRC tax authority as the withholding agent.

In respect of all H Shareholders whose names appear on the Company’s register of members as at the relevant record date who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise shareholders), the Company will distribute the dividend after deducting an enterprise income tax at the rate of 10%.

If any resident enterprise (as defined in the Enterprise Income Tax Law) listed on the Company’s register of members which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC based de facto management body, does not desire to have the Company withhold and pay the 10% enterprise income tax, it shall lodge with Union Registrars Limited, the Company’s H Share registrar in Hong Kong, the relevant documents from its governing tax authority confirming that the Company is not required to withhold and pay enterprise income tax in respect of the dividend that it is entitled.

Natural Person Shareholders

The Company will withhold and pay the individual income tax at the rate of 20% in respect of the dividend payable to any natural person shareholders of domestic shares whose names appear on the Company’s register of members as at the relevant record date.

With respect to the individual investors of Shenzhen-Hong Kong Stock Connect who hold H shares of the Company through HKSCC Nominees Limited, under Notice Regarding Tax Policies Related to the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127)* (《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(財稅[2016]127號)》) jointly published by the Ministry of Finance of the PRC, State Administration of Taxation of the PRC and China Securities Regulatory Commission (the “**Notice**”), the Company shall pay the amount of dividend after deducting 10% enterprise withholding tax according to the Notice.

By order of the Board
無錫盛力達科技股份有限公司
Wuxi Sunlit Science and Technology Company Limited*
Zhang Degang
Chairman

Hong Kong, 6 June 2022

As at the date of this notice, the executive directors of the Company are Mr. Zhang Degang and Mr. Zhang Deqiang, the non-executive director of the Company is Ms. Zhang Jinghua and the independent non-executive directors of the Company are Mr. Leung Yiu Cho, Mr. Yu Jianfeng and Mr. Zhong Ruifeng.

** For identification purposes only*