

Zhen Ding Technology Holding Limited

Group Tax Policy and Management Regulations

Approved for publication by the board of directors on March 11, 2025

- Article 1 In response to international trends in tax governance and the tax management policies for sustainable development, and to ensure compliance with tax regulations, implement tax risk control, enhance shareholder value, and to fulfill corporate social responsibility, the Company and each subsidiary hereby establish the "Group Tax Policy and Management Regulations " (hereinafter referred to as "this Policy").
- Article 2 Subsidiaries that are included in the consolidated financial statements and whose operations may affect the overall financial or tax figures of the Company shall all comply with this Policy.
- Article 3 The tax policies upheld by the Company and each subsidiary are as follows:
1. Honest Tax Filing and Payment:
 - (1) To comply with local tax regulations and their legislative spirit, correctly calculating tax amounts, and filing and paying taxes in accordance with the law, thereby fulfilling our social responsibilities as taxpayers.
 - (2) To handle tax-related matters in accordance with ethical principles.
 - (3) To follow the internationally recognized transfer pricing guidelines and disclosure requirements published by the Organization for Economic Cooperation and Development (OECD).
 - (4) To support government tax policies such as promotion of industrial innovation, research and development and re-investment, etc.
 - (5) Not using tax structures lacking commercial substance, including tax havens or tax planning for tax avoidance.
 - (6) Not shifting profits to low-tax jurisdictions or tax havens.

2. Tax Risk Assessment and Response:

- (1) To consider relevant tax risks and tax impacts when conducting daily business operations or making significant business decisions.
- (2) To carefully assess the impact of changes in local tax regulations on the Company, formulating response strategies, and strengthening internal communication.

3. Open and Honest Communication:

To maintain a friendly, trusting, respectful, and honest relationship with tax authorities, establishing effective communication channels, and ensuring efficient and effective interaction and cooperation between both parties.

4. Information Transparency:

The disclosure of tax information in financial reports shall be handled in accordance with relevant regulations and guidelines.

Article 4 Transfer Pricing Principles for Related Party Transactions:

1. The pricing of transactions between related enterprises shall be based on the functions performed and risks undertaken by each participant in the controlled transactions, and shall provide corresponding remuneration.
2. Related party transactions shall be evaluated individually and analyzed systematically using the most appropriate arm's length method in accordance with local transfer pricing regulations, to ensure reasonable and systematic analysis of the transaction results.
3. The Company and each subsidiary shall disclose transaction details and prepare or file transfer pricing documentation in accordance with local tax regulations.

Article 5 Responsibilities for Tax Management:

1. The Finance Head Division is the highest decision-making and supervisory body for tax management within the Group, responsible for approving tax governance policies and ensuring their effective implementation.

2. The Group has established a tax team, with the Finance Head Division as the responsible unit for managing all types of taxes. It shall regularly review tax regulations and report any tax risks to the Board of Directors. In addition, the Group maintains long-term cooperation with external tax consulting firms to enhance professional knowledge through our services.
3. The accounting departments of the Company and each subsidiary are responsible for the execution of all types of tax matters.
4. In making tax filings of all types, the Company and each subsidiary shall take responsibility by level and acquire proper approval based on the appropriate approval authority.
5. The Company and each subsidiary shall carefully review and properly retain relevant calculation drafts and vouchers for each tax item (including corporate income tax, minimum tax on income, withholding tax, undistributed profits tax, value-added tax, other taxes, and administrative relief disputes, including those processed electronically) for inspection by the relevant authorities.
6. The Company and each subsidiary shall carefully assess the tax impact of significant transactions and decisions, and may seek opinions from external professional tax and legal advisors as needed.
7. When changes in tax laws and regulations affect business decisions and daily operations, immediate responses and communications shall be made.
8. Through talent training, the Group shall enhance its professional capabilities at handling taxes.

Article 6 To ensure consistent handling of tax-related issues by the Company and each subsidiary, subsidiaries shall inform the Company when handling the following matters, in addition to following the Company's responsibilities in the Company. The Company may participate as appropriate, request subsidiaries to provide data for review, and propose improvement measures.

1. Significant changes in equity.
2. Tax opinions or planning for significant transactions, and tax decisions or risk assessments.
3. Domestic or overseas mergers and acquisitions, organizational restructuring, or significant business or structural planning, disposition, and tax decisions.
4. Significant tax issues or disputes arising from domestic or overseas business or investments.
5. Communication with accountants or lawyers regarding significant tax issues or disputes.
6. Investigation by tax authorities or potential risks of violating tax regulations.
7. Significant disputes with tax authorities or controversies arising from unclear or different interpretations of regulations (excluding routine corrections, routine company data submissions, non-controversial, and non-risk situations).
8. Other tax issues that have a significant impact on financial statements.

Article 7 This Policy shall be reviewed and revised in a timely manner to adapt to changes in international and government regulations. Any other matters not covered herein shall be handled in accordance with the regulations of the competent authorities and the Company.

Article 8 This Policy shall be implemented upon approval by the Board of Directors, and the same shall apply to any amendments.