

E Ink Holdings Inc.

Group Tax Policy and Management Regulations

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Article 1 The Company and each subsidiary have established the Group Tax Policy and Management Regulations (hereinafter this “Policy”) in response to the international trend of tax governance and tax management policies of sustainable development in order to implement legal compliance, put in place tax risk control, increase shareholder value and fulfill corporate social responsibility.

Article 2 Subsidiaries consolidated under the financial statements shall comply with this Policy when their activities have an impact on the overall financial or tax figures of the Company.

Article 3 The Company and each subsidiary adopt the following tax policies:

1. Honest tax filing and payment
 - (1) Calculate tax amount correctly in accordance with local tax laws, regulations and the legislative spirits, make tax filings and complete tax payments in accordance with the law and fulfill the social responsibility of a taxpayer.
 - (2) Process tax related matters in accordance with an ethical philosophy.
 - (3) Comply with internationally recognized transfer pricing guidelines and disclosure requirements published by the Organization for Economic Cooperation and Development (“OECD”).
 - (4) Support government sustainable development policies such as promotion of industrial innovation, research and development and re-investment, etc.
 - (5) Plan the tax structure based on economic substance, not use tax havens or tax structures for the sole purpose of avoiding taxes.
 - (6) Not transfer value created to low tax jurisdictions or tax havens (i.e., secrecy jurisdictions).
2. Tax risk assessment and corresponding measures
 - (1) In engaging in daily business activities or making major operating decisions, consider relevant tax risk and tax impact.

- (2) In case of change of tax legislation in any location, carefully assess the impact on the Company, establish corresponding measures and strengthen internal promotion.
3. Maintain open and honest communication:
Maintain a relationship that is friendly, trusting and with honest communication with the tax authority. Establish good communication channels to ensure that both parties are able to cooperate in an efficient and effective manner.
4. Information transparency
Disclosure of tax information in the financial reports in accordance with applicable regulations and guidelines.

Article 4 Transfer Pricing Principles for Related-Party Transaction:

1. Transactions between affiliates shall be based on pricing that reflects the functions played and the risk undertaken by each controlled transaction participant, with the corresponding remuneration.
2. Related-party transactions shall be individually evaluated and the most suitable arm's length transaction manners shall be adopted in accordance with transfer pricing legislation of different countries. Transaction results of controlled transactions shall be reasonably and systematically analyzed.
3. The Company and each subsidiary shall duly disclose transaction details and prepare or file transfer pricing documentation, etc. in accordance with local tax laws and regulations.

Article 5 Tax Management Responsibilities:

1. The board of directors is the highest-level decision-making and supervising organ of tax management of the Group, responsible for the determination of tax governance policies and ensuring the effective operation of tax governance policies.
2. The accounting department of the financial control center is the management unit responsible for all types of taxes. It shall review tax regulations at any time and report to the board of directors if there is any tax risk.
3. The accounting department of the Company and each subsidiary is the execution unit responsible for all types of taxes.
4. In making tax filings of all types, the Company and each subsidiary shall take responsibility by level and acquire proper approval based on approval authority.

5. The Company and each subsidiary shall carefully review and duly maintain relevant computation drafts and justifications (including electronic drafts and justifications) for all tax items (such as profit-seeking enterprise income tax, basic income tax amount, withholding tax, undistributed profit tax, business tax, all other types of taxes and administrative remedies/litigation, etc.), which shall be available for review by each competent authority.
6. The Company and each subsidiary shall carefully assess the tax impact of each material transaction and decision and may, as required, engage or consult an external professional tax or legal advisors to seek their opinions.
7. When any change of tax law has an impact on operating decisions or daily business activities, corresponding measures and information shall be undertaken/provided in a timely manner.
8. Professional tax capabilities shall be strengthened through talent training.

Article 6 To ensure consistency in tax-related issued by the Company and its subsidiaries, when a subsidiary engages in the following and follows the company's responsibilities in the Company, it shall also inform the Company. The Company may participate in the matter based on the actual situation and may ask the subsidiary to provide information for review 3 and provide rectification measures.

1. Major change of shareholding.
2. Tax opinion or planning for major transactions, as well as tax decisions or risk evaluations.
3. Domestic or overseas merger or acquisition, change of organizational structure or structural planning, disposal and tax decisions or major businesses or departments.
4. Major tax issue or dispute over domestic or overseas business or investment.
5. Major tax issue or dispute communicated with accountant or attorney.
6. Investigation by tax authority or potential risk of breach of tax law.
7. Major dispute with tax authority or dispute due to differential/unclear interpretation of the law (excluding routine correction, routine filing of company information, no-dispute and no-risk events).
8. Other tax issues having a major impact on financial statements.



Article 7 This Policy shall be reviewed and amended timely in accordance with the evolution of international and government laws and regulations. Other unstipulated matters shall be governed by applicable requirements of the competent authority and the Company.

Article 8 This Policy, including any amendment hereto, is implemented following approval by board resolution.