**Yangzhou Yangjie Electronic Technology Co., Ltd.**

**Rules of Procedure for the Board of Directors**

**Chapter 1 General Provisions**

Article 1 The Rules of Procedure for the Board of Directors (the Rules) are formulated to improve and standardize the procedures and decision-making of the Board of Directors (the "Board") of Yangzhou Yangjie Electronic Technology Co., Ltd. (the "Company") and ensure the smooth operation and management of the Company pursuant to the Company Law of the PRC (the "Company Law"), the Securities Law of the PRC (the "Securities Law"), the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange (amended in December 2020) (listing rules of the ChiNext Market), the Code of Corporate Governance for Listed Companies (amended in 2018), the Self-regulatory Guidelines for Listed Companies No. 2 of Shenzhen Stock Exchange - Standardized Operation of Listed Companies on the ChiNext Market, the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies, the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas and other relevant laws, regulations, normative documents and provisions of the Articles of Association of Yangzhou Yangjie Electronic Technology Co., Ltd. (the "Articles of Association").

Article 2 The Rules are formulated for standardizing the procedures of the Board and improving the working efficiency and scientific decision-making of the Board.

Article 3 The Board shall be the decision-making body of the Company's operation and management, safeguarding the interests of the Company and all shareholders, and is responsible for the decision-making of the Company's development goals and major business activities within the scope of the Articles of Association and the authorization of the shareholders’ general meeting.

Article 4 The Board represents the Company externally and the chairman of the Board is the legal representative of the Company. The president of the Company shall be responsible for the daily business, operational and administrative activities of the Company under the leadership of the Board and be accountable to and reporting to the Board. The directors shall be responsible to all shareholders and owe a duty of loyalty and diligence to the Company.

Article 5 The Board shall be subject to the supervision of the Board of Supervisors of the Company.

Article 6 Directors shall perform their duties in good faith:

(I) The directors shall be loyal to the interests of the Company and shareholders, exercise their rights within the scope of their powers in the interests of the Company, and strictly avoid conflicts between their interests and the interests of the Company.

(II) The directors shall diligently and conscientiously perform their duties with the knowledge, skills and experience they are supposed to possess as directors, urge the Company to comply with laws, regulations, rules and Articles of Association, and try their best to protect the interests of the Company and all shareholders.

**Chapter 2 Qualifications, Tenure and Termination of Office of Directors**

Article 7 None of the following persons may serve as a director of the Company:

(I) persons without capacity or with limited capacity for civil acts;

(II) persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence;

(III) persons who acted as directors, or factory managers or managers of bankrupt or liquidated companies or enterprises and bore personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation;

(IV) persons who were legal representatives of a company or enterprise which had its business license revoked and had been ordered to shut down due to violation of the laws and who were personally liable, where three years have not lapsed following the date of the revocation;

(V) persons who have a substantial amount of debts due and outstanding;

(VI) persons who were investigated by judicial offices and the lawsuit is not settled yet;

(VII) persons who may not act as leaders of enterprises by virtue of laws and administrative regulations;

(VIII) persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;

(IX) persons publicly declared by the stock exchange as unsuitable for serving as a director, supervisor or senior management member of a company for a period which has not yet expired;

(X) persons ruled by a competent authority to have violated securities-related regulations, where such a violation involved fraudulent or dishonest acts, and five years have not lapsed following the date of the ruling;

(XI) other circumstances under which one is unsuitable for serving as a director of a listed company as stipulated by laws, regulations or departmental rules, the CSRC and the Shenzhen Stock Exchange.

If the Company elects directors in violation of the provisions of the preceding paragraphs, the election shall be invalid. If any of the circumstances mentioned in the first paragraph of this Article occurs during the term of office of a director, the Company shall remove him from his post and the relevant directors shall leave the post within one month from the date of such occurrence.

The independent director candidates shall comply with the provisions of the Measures of the Shenzhen Stock Exchange on the Record Filing of Independent Directors. Independent directors shall also make representations as to their independence and competence and accept inquiries from shareholders.

Article 8 Where a director candidate is under any of the following circumstances, the Company shall disclose the specific circumstances, the reasons for employing the candidate and whether it will affect the standard operation of the Company, and indicate the relevant risks:

(I) having been subject to the administrative punishment by the CSRC in the last three years;

(II) having been subject to the public censure or criticized in a circulated notice for more than three times by the stock exchange in the last three years;

(III) having been the subject of any investigation by the judicial authority due to any suspected crime or any investigation by CSRC due to any suspected violation of laws and regulations, but no clear conclusions or opinions have been reached;

(IV) having been publicized by the CSRC on the public inquiry platform for illegal and trust-breaking information in the securities and futures market or included in the list of persons subject to enforcement for trust-breaking by the people's court.

The above period shall end on the date on which the Board of the Company considers the proposal for the appointment of the director candidates.

Article 9 After being nominated, director candidates shall carry out a self-check on whether they meet the qualifications for office, and provide the listed company with written explanations of their qualifications and relevant qualification certificates in a timely manner (if applicable).

Director candidates shall make a written undertaking to agree to accept the nomination and promise that the information of them publicly disclosed is true, accurate and complete, and guarantee to perform their duties effectively after their election.

Article 10 Directors shall be elected at the shareholders' general meeting, with a term of office of three years. Directors are eligible for re-election upon expiration of their term of office. A director may not be removed from office without cause by the shareholders' general meeting before the expiration of his/her term of office.

Directors are not required to hold shares in the Company.

The term of office of directors shall last from the date on which the directors take office until the expiration of the current term of the Board.

If the term of office of a director expires but the director is not re-elected in time, or the resignation of the director during the term of office causes the number of Board members to be less than the quorum, the former director shall still perform the duties as a director in accordance with the provisions of laws, regulations, and the Articles of Association before the newly elected director takes office, provided that his/her rights are reasonably limited in accordance with the Articles of Association and the Rules.

Except as provided in the preceding paragraph, the resignation of a director shall takes effect upon the delivery of the resignation report to the Board.

Article 11 The total number of directors on the Board of Directors of a listed company who are also senior management members of the Company and who are employee representatives shall not exceed one-half of the total number of directors of the Company.

Directors, senior management members and their spouses and immediate family members shall not serve as supervisors of the Company during their tenure as directors or senior management members.

Article 12 When the shareholders' general meeting elects more than two (including two) directors, it shall adopt the cumulative voting system and vote in accordance with the specific rules of the cumulative voting system as specified in the Articles of Association.

If a cumulative voting system is adopted for the election of directors, the voting of independent directors and non-independent directors shall be conducted separately.

Article 13 The list of candidates for directors of the Company shall be submitted by the current Board to the shareholders' general meeting for resolution in the form of a proposal.

Article 14 The Company may, within the scope of laws, regulations and the Articles of Association, increase or decrease the number of Board members as required by its business development, provided that any change in the membership of the Board, including an increase or decrease in the number of Board members, removal or by-election of directors shall be decided by the shareholders' general meeting in accordance with the Articles of Association.

Article 15 In the notice of the shareholders' general meeting, the Company shall fully disclose the detailed information of the director candidates, including at least the following:

(I) personal particulars such as education background, working experience and concurrent positions;

(II) whether there is any connected relationship with the Company or the controlling shareholder and de facto controller of the Company;

(III) their shareholdings in the Company;

(IV) any penalties imposed by the CSRC and other relevant authorities and punishments imposed by stock exchanges. Save for the directors who are elected by way of cumulative voting system, a single proposal shall be put forward for each candidate for directors.

Article 16 If a director fails to attend the Board meeting in person or entrust any other directors to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board shall advise the shareholders' general meeting to remove such director.

Article 17 A director may resign before the end of his/her tenure. A director who resigns shall submit a written resignation report to the Board, and the Board shall disclose the relevant information within two days.

Article 18 If the resignation of a director results in the Company's Board members being less than the minimum statutory number (5), or the number of independent directors being less than one-third of the Board members, or there being no accounting professionals among the independent directors, the resignation report of the director shall take effect only after his/her vacancy is filled by a new director. Before the resignation report becomes effective, the director to resign shall continue to perform his/her duties. The Company shall complete the by-election within two months.

Except as provided in the preceding paragraph, the resignation of a director shall take effect upon the delivery of the resignation report to the Board.

The director shall state in the resignation report the time of resignation, the reason for resignation, the post he/she resigned from and whether he/she will continue to hold office in the Company and its controlling subsidiaries after resignation (if he/she continues to hold office, details shall be given).

Article 19 Before the resignation takes effect, the relevant directors, supervisors and senior management members shall continue to perform their duties to ensure the normal operation of the Company in accordance with relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the ChiNext Market, other provisions of the Shenzhen Stock Exchange and the Articles of Association.

Article 20 When the resignation of a director takes effect or his/her term expires, he/she shall complete all handover procedures with the Board. If a director resigns or his/her term of office expires, his/her obligations to the Company and its shareholders shall not ipso facto discharged for a reasonable period of time before or after the effective date of his/her resignation report and for a reasonable period of time after the end of his/her term of office, and his/her obligation to keep the Company's trade secrets confidential shall remain in effect after the end of his/her her term of office until such secrets become public information.

Article 21 If a director is nominated as a candidate for director, supervisor and senior management member of the listed company again within three years after leaving office, the Company shall promptly disclose the reasons for the appointment and the trading of the Company's shares after his/her leaving office.

Article 22 The independent directors shall perform their duties in accordance with the relevant provisions of laws, administrative regulations and departmental rules.

Article 23 Subject to the approval of the shareholders' general meeting, the Company may purchase liability insurance for the directors, except for the liability resulting from the directors' violation of laws, regulations and the provisions of the Articles of Association.

**Chapter 3 Code of Conduct for Directors**

Section 1 Appointment

Article 24 When the proposal of their appointment is considered at the shareholders' general meeting and the Board, the directors shall attend the meeting in person and explain their qualifications, professional competence, experience in the industry, violations of laws and regulations, whether there is any conflict of interest with the listed company, and their relationship with the controlling shareholder, the de facto controller and other directors, supervisors and senior management members of the Company.

Independent directors shall also make representations as to their independence and competence and accept inquiries from shareholders.

Article 25 Before accepting the appointment, the directors shall ensure that they will devote sufficient time and energy to the affairs of the Board during their term of office, and effectively perform the duties required of a director.

Section 2 Consideration of Material Matters

Article 26 Directors shall attend the Board meetings in person, and if they are unable to attend the Board meeting in person for any reason, they shall prudently choose and appoint other directors in writing to attend the meetings on their behalf, and independent directors shall not appoint non-independent directors to attend the meetings on their behalf. Where voting matters are involved, the appointer shall expressly express his/her consent, objection or abstention on each matter in the power of attorney, and the directors shall not make or accept an entrustment of non-voting intention, a full power or an entrustment with unclear scope of authority. A director's responsibility for voting matters is not relieved by the presence of another director by proxy. When matters of connected transactions are considered, an unconnected director may not entrust any connected director to attend the meeting on his/her behalf.

A director may not accept proxies from more than two directors to attend a Board meeting on their behalf at a single meeting.

Article 27 Directors shall pay attention to the decision-making procedures of the matters considered by the Board, with special attention to the proposal procedure, decision-making authority, voting procedure and recusal of relevant matters.

Article 28 Directors shall attend Board meetings in person. The director shall give a written explanation and disclose to the public if any of the following occurs:

(I) failure to attend the Board meeting in person for two consecutive times;

(II) the number of Board meetings not attended in person for 12 consecutive months during the term of office exceeds one-half of the total number of Board meetings during that period.

Article 29 When considering the proposal for authorization, the directors shall exercise prudent judgment on the scope, reasonableness and risks of the authorization.

The directors shall pay full attention to whether the authorization exceeds the scope of the Articles of Association, the Rules of Procedure for General Meetings, and the Rules of Procedure for the Board of Directors, etc., and whether there are significant risks in the authorized matters.

The directors shall continuously monitor the implementation of the authorized matters.

Article 30 When considering major transactions, the Board shall understand in detail the reasons for the transactions, prudently assess the impact of the transactions on the financial position and long-term development of the Company, and pay special attention to whether there are acts that conceal the substance of the connected transactions and damage the legitimate rights and interests of the Company and the small and medium-sized shareholders by means of disassociation of the connected transactions.

Article 31 When considering connected transactions, the Board shall make a clear judgment on the necessity, fairness, true intention and impact on the Company of the connected transactions, pay special attention to the pricing policy and pricing basis of the transactions, including the fairness of the appraised value, the reasons for the difference between the transaction price and the book value or appraised value of the subject of the transactions, etc., and strictly comply with the recusal system of the connected directors to prevent the use of connected transactions to regulate profits, transfer benefits to connected persons and damage the legitimate rights and interests of the Company and the small and medium shareholders.

Article 32 When considering major investment matters, the Board shall carefully analyze the feasibility and prospect of investment projects, and pay full attention to whether the investment projects are related to the main business of the Company, whether the arrangement of capital sources is reasonable, and whether the investment risks are controllable and the impact of the matter on the Company.

Article 33 When considering the guarantee matters, the directors shall actively understand the basic conditions of the guaranteed party, such as the operation and financial status, creditworthiness and taxation status, etc.

The directors shall make prudent judgment on the compliance and reasonableness of the guarantee, the ability of the guaranteed party to repay the debt, the effectiveness of the counter-guarantee measures and the controllability of the guarantee risk.

When the Board considers the proposal of guarantee for the holding company or equity participation company of the listed company, the directors shall focus on whether the other shareholders of the holding company or equity participation company provide risk control measures such as guarantee or counter-guarantee in the same proportion to the equity interest, whether the risk of the guarantee is controllable and whether it is detrimental to the interests of the listed company.

Article 34 When the Board considers matters involving changes in accounting policies, changes in accounting estimates and corrections of material accounting errors, the directors shall pay attention to the reasonableness of the changes or corrections, the impact on the accounting data in the periodic reports, whether retroactive adjustments are involved, whether they result in changes in the nature of profit and loss of the Company in the relevant year, and whether there are circumstances in which such matters are used to adjust profits.

Article 35 When the Board considers the provision of financial assistance, the directors shall actively understand the basic information of the funded party, such as its operation and financial status, creditworthiness and taxation status.

When the Board considers the provision of financial assistance, the directors shall make a prudent judgment on the compliance and reasonableness of the financial assistance, the repayment ability of the funded party and the effectiveness of the guarantee measures.

When the Board considers the provision of financial assistance by the listed company to its holding subsidiary with the shareholding ratio of no more than 50%, equity participation company or holding subsidiary formed by joint investment with related parties, the directors shall pay attention to whether the financial assistance is provided by the other shareholders of the funded party in proportion to their capital contribution and under the same conditions, and whether it is detrimental to the interests of the listed company.

Article 36 When the Board considers the sale or transfer of in-use trademarks, patents, proprietary technologies, franchises and other assets related to the core competitiveness of the listed company, the directors shall pay full attention to whether such sale or transfer is detrimental to the legitimate rights and interests of the Company and the small and medium shareholders and express a clear opinion in this regard. The aforementioned opinion shall be recorded in the minutes of the Board meeting.

Article 37 When the Board considers entrusted financial management matters, the directors shall pay due attention to whether the approval authority of entrusted financial management is delegated to the directors or senior management member personally, whether the relevant risk control system and measures are sound and effective, and whether the trustee's integrity record, operating condition and financial condition are sound.

Article 38 When the Board considers high-risk matters such as securities investment and derivatives trading, the directors shall pay due attention to whether the listed company has established a special internal control system, whether the investment risks are controllable and risk control measures are effective, whether the scale of investment affects the normal operation of the Company, whether the funds are own funds, and whether there is any investment in violation of the regulations, etc.

Article 39 When the Board considers the proposal to change the use of the proceeds, the directors shall pay full attention to the reasonableness and necessity of the change and make prudent judgment after fully understanding the feasibility, investment prospect and expected income of the changed project.

Article 40 When the Board considers the acquisition and major asset reorganization of the listed company, the directors shall fully investigate the intention of the acquisition or reorganization, pay attention to the creditworthiness and financial status of the acquirer or the reorganization counterparty, whether the transaction price is fair and reasonable, whether the acquisition or reorganization is in the overall interest of the Company, and prudently assess the impact of the acquisition or reorganization on the financial position and long-term development of the Company.

Article 41 When the Board considers the proposal of profit distribution and conversion of capital reserve into share capital, the directors shall pay attention to the compliance and reasonableness of the proposal and whether it matches with the total distributable profit, capital adequacy, growth and sustainable development of the listed company.

Article 42 When the Board considers major financing proposals, the directors shall pay attention to whether the listed company meets the financing conditions and analyze the advantages and disadvantages of various financing methods in the light of the actual situation of the Company, so as to reasonably determine the financing methods.

Article 43 When the Board considers the periodic reports, the directors shall carefully read the full text of the periodic reports, focusing on whether the contents of the periodic reports are true, accurate and complete, whether there are material preparation errors or omissions, and whether there are significant fluctuations in major accounting data and financial indicators and the reasonableness of explanations for the fluctuations. Meanwhile, the directors shall pay attention to abnormalities, whether the report of the Board has comprehensively analyzed the financial position and operating results of the listed company for the reporting period and fully disclosed the material matters and uncertainties that may affect the future financial position and operating results of the Company, etc.

The directors shall sign a written confirmation of the truthfulness, accuracy and completeness of the periodic report in accordance with the law, and shall not delegate the signature to another person or refuse to sign for any reason.

If the directors cannot guarantee the truthfulness, accuracy or completeness of the contents of the periodic report or disagree with the contents of the periodic report, they shall express their opinions and state the specific reasons in the written confirmation. The Board and the board of supervisors shall explain and announce the matters involved and their impact on the Company.

Article 44 The directors shall strictly implement and supervise the senior management members to implement the resolutions of the shareholders' general meeting, the resolutions of the Board and other relevant resolutions.

The directors shall report to the Board in a timely manner and request the Board to take countermeasures if one of the following circumstances is identified during the implementation:

(I) significant changes in the implementation environment and conditions, resulting in the inability to implement relevant resolutions or the continued implementation of which may result in damage to the interests of the Company;

(II) the actual implementation is inconsistent with the content of the relevant resolution, or significant risks are identified in the implementation;

(III) the actual implementation progress is significantly different from the relevant resolutions, and it is difficult to achieve the expected goals with continued implementation.

Article 45 In voting on the major matters mentioned in Articles 29 to 42 above or other matters that may have a significant impact on the operation of the Company, the directors shall express their opinions on whether such matters are in compliance with the relevant provisions of laws and regulations issued by the State and whether they are detrimental to the rights and interests of public shareholders. The above comments shall be recorded in the minutes of the Board meeting.

Section 3 Duties and Obligations of Directors

Article 46 Directors shall abide by laws, regulations and the Articles of Association, faithfully perform their duties and safeguard the interests of the Company.

The directors shall, on the basis of investigation and obtaining documents and data necessary for making decisions, give full consideration to the legal compliance of the matters under consideration, their impact on the Company (including potential impacts) and existing risks, perform their duties with due diligence and express clear personal opinions on the matters discussed. If there is any doubt on the matters discussed, the directors shall actively investigate or require the Board to provide more sufficient data or information required for decision-making.

Article 47 Directors shall be obligated to be faithful to the Company. When their own interests conflict with the interests of the Company and shareholders, they shall take the best interests of the Company and shareholders as the code of conduct and guarantee that they shall:

(I) comply with relevant laws, regulations and the Articles of Association, and strictly comply with the commitments made publicly;

(II) promote the Company to comply with the provisions of national laws, regulations, rules and the Articles of Association, and fulfill the duty of honesty and diligence;

(III) exercise power within the scope of their functions and power and not act beyond such power;

(IV) not conclude a contract or enter into a transaction with the Company except as otherwise provided in the Articles of Association or with the consent of the shareholders’ general meeting that has been informed;

(V) not use inside information to seek benefits for themselves or others;

(VI) not engage in business of the same kind as that of the Company or engage in activities that damage the interests of the Company by themselves or for others;

(VII) not take advantage of their functions and powers to accept bribes or other illegal income, or misappropriate the property of the Company;

(VIII) not misappropriate funds or lend Company funds to others;

(IX) not take advantage of their position to seek business opportunities belonging to the Company for themselves or others;

(X) not accept commissions on transactions with the Company;

(XI) not deposit the Company's assets in an account opened in their own names or in the name of any other individual;

(XII) not use the assets of the Company as security for the debts of the Company's shareholders, affiliated parties, any unincorporated units or other individuals in violation of the Articles of Association of the Company or without the consent of the shareholders' general meeting or the Board;

(XIII) not disclose confidential information related to the Company obtained during their tenure without the informed consent of the shareholders' general meeting. However, this information may be disclosed to the court or other competent governmental authorities under the following circumstances:

1. required by law;

2. in the interests of the public;

3. in the interest of the relevant director.

The income derived by the directors in violation of the Article shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation.

Article 48 Directors shall exercise the rights conferred by the Company with due discretion, care and diligence to ensure that:

(I) they shall protect the best interests of the Company and all shareholders, and faithfully, honestly and diligently perform their duties;

(II) they shall have adequate time and energy to perform their duties;

(III) the business operations of the Company comply with the requirements of PRC laws, administrative regulations and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company;

(IV) they shall be fair to all shareholders;

(V) they shall read the business and financial reports provided by the Company to understand the operation and management status of the Company in a timely manner;

(VI) they shall personally exercise the lawfully vested management and disposal power in them, and shall not be manipulated by others, or delegate their management and disposal power to others unless permitted by laws and administrative regulations or the informed approval of the shareholders' general meeting;

(VII) they shall accept the legal supervision and reasonable suggestions of the Board of Supervisors over their duties.

Article 49 Directors shall perform the following duties of good faith and diligence:

(I) to attend the Board meetings in person, and act with due diligence and express clear personal opinions on the matters discussed; If for some reason he/she is unable to attend the meeting in person, the director shall entrust another director to attend on his/her behalf, and the independent director shall entrust another independent director to attend on his/her behalf. Where a voting matter is involved, the principal shall specify in the power of attorney the opinions he/she held in favor of, against or abstain from voting on each matter;

(II) to carefully read all commercial and financial reports of the Company and media reports on the Company, keep abreast of and continue to pay attention to the Company's business operation and management status and major events that have occurred or may occur in the Company and their impact, and report to the Board any problems in the Company's business activities; and they shall not dismiss responsibility on the grounds of not directly engaging in business management or not knowing relevant issues and conditions;

(III) to sign a written confirmation to the Company's periodic reports to ensure that the information disclosed by the Company is true, accurate and complete;

(IV) to provide the status reports and information to the Board of Supervisors honestly, and not to hinder the Board of Supervisors from exercising their powers;

(V) to fulfill the provisions of relevant laws and regulations and other obligations of good faith and diligence recognized by the society. Article 50 Directors shall actively pay attention to the affairs of the Company and take the initiative to understand the operation, movement, management and financial situation of the Company by reviewing documents, asking relevant personnel, on-site visits, organizing investigation and other forms. Directors shall require relevant personnel of the Company to explain or clarify the major events, issues or market rumors concerned in a timely manner, and shall propose to convene the Board meetings for deliberation if necessary.

Article 51 Directors shall ensure the authenticity, accuracy and completeness of the information disclosed by the Company. If a director is unable to guarantee the authenticity, accuracy and completeness of the information disclosed by the Company or there is any objection to the disclosed information, the director shall make corresponding statements and explain the reasons in the public announcement, and the Board and the Board of Supervisors shall explain the matters involved and their impact on the Company and make a public announcement.

Article 52 Directors shall supervise the standard operation of the Company, actively promote the construction of various internal systems of the Company, actively understand the major events that have occurred or may occur and the impact of their progress on the Company, and report to the Board the problems existing in the Company's business activities in time, and shall not dismiss their liabilities on the grounds that they do not engage directly or are not familiar with relevant businesses.

Article 53 When a director discovers that the Company or the directors, supervisors, senior management members, shareholders or actual controllers suspected of violating laws and regulations or other acts that may damage the interests of the Company, the director shall require the relevant parties to immediately rectify or stop those acts, report to the Board in time, submit to the Board for verification, and report to the Shenzhen Stock Exchange if necessary.

Section 4 Special Code of Conduct of Chairman of the Board

Article 54 The chairman of the Board shall be directors and shall be elected and removed by more than half of all the directors. The chairman of the Board shall exercise the following functions and power:

(I) to preside over the shareholders' general meeting, and to convene and preside over the Board meeting;

(II) to supervise and inspect the execution of the resolutions of the Board;

(III) to sign share certificates, debentures and other quoted securities of the Company; if the laws and regulations, securities regulatory authorities where the Company’s Shares or GDRs are listed, or stock exchange stipulate otherwise, the relevant provisions shall prevail;

(IV) to sign the important documents of the Board and other documents required to be signed by the legal representative of the Company;

(V) to exercise the functions and powers of the legal representative;

(VI) in case of emergency arising from force majeure such as catastrophic natural disasters, he/she shall exercise special right of disposal of the Company's affairs that conform to laws as well as the Company's interests and report to the Board and the shareholders' general meeting timely afterwards;

(VII) other functions and powers granted by the Board.

Article 55 When the chairman of the Board cannot or fails to fulfill his/her duties, the vice chairman of the Board shall preside (where the Company has two or more vice chairmen, the vice chairman jointly elected by more than half of the directors shall perform the duties). When the vice chairman of the Board cannot or fails to fulfill his/her duties, a director shall be jointly nominated by more than half of the directors to perform his/her duties.

Article 56 The chairman of the Board shall actively promote the formulation and improvement of various internal systems of the Company, strengthen the construction of the Board, ensure the legal and normal operation of Board meetings, convene and preside over Board meetings according to law, and supervise the directors to attend Board meetings in person.

Article 57 The chairman of the Board shall abide by the Rules of Procedure for the Board of Directors, ensure the normal holding of the Board meetings of the listed companies, timely submit the matters to be examined by the Board to the Board for deliberation, and shall not restrict or obstruct other directors from exercising their functions and powers independently.

The chairman of the Board shall strictly implement the collective decision-making mechanism of the Board, and shall not substitute personal opinions for the decision-making of the Board or affect the independent decision-making of other directors.

Article 58 The chairman of the Board shall not engage in acts beyond his/her authority. When the chairman of the Board exercises his/her power within the scope of his/her duties (including authorization), he/she shall make a careful decision on matters that may have a significant impact on the operation of the Company and, if necessary, submit it to the Board for collective decision-making. The chairman of the Board shall promptly inform all directors of the implementation of the authorized matters.

Article 59 The chairman of the Board shall actively supervise and urge the implementation of the resolutions of the Board, and timely inform other directors of relevant information.

If the actual implementation is inconsistent with the content of the resolution of the Board, or if significant risks are found during the implementation, the chairman of the Board shall convene Board meetings in time for review and take effective measures.

The chairman of the Board shall regularly check the implementation of the resolutions of the Board from the president and other senior management members.

Article 60 The chairman of the Board shall ensure that the independent directors and the secretary to the Board have the right to know, create good working conditions for them to perform their duties, and shall not obstruct them from exercising their functions and powers according to law in any form.

Article 61 The chairman of the Board shall urge the secretary to the Board to timely perform the obligation of information disclosure immediately after receiving the report on major matters of the Company.

**Chapter IV The Board of Directors**

Section I General Provisions

Article 62 The Company shall have a Board of Directors, which is accountable to the shareholders' general meeting.

Article 63 The Board is composed of nine directors, including three independent directors, one chairman and two vice chairmen.

Article 64 The Board shall exercise the following functions and powers:

(I) to convene shareholders' general meetings and report to shareholders' general meetings;

(II) to implement the resolutions of the shareholders' general meeting;

(III) to determine the business operation plans and investment plans of the Company;

(IV) to appoint members of the subordinate specialized committee;

(V) to examine and approve the report of the subordinate specialized committee unless otherwise specified;

(VI) to formulate the annual financial budgets and final accounting plans of the Company;

(VII) to formulate the profit distribution plan and loss recovery plan of the Company;

(VIII) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of convertible corporate bonds, general bonds or other financial instruments and their listing;

(IX) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;

(X) to decide on the Company's external investment (including venture capital investment), asset disposal (including asset sale, purchase, lease, guarantee setting and disposal of assets scrap, etc.), signing of major contracts, entrusted wealth management, connected transactions, execution and alteration of equity incentive plan and external guarantee within the scope of authorization stipulated in the Articles of Association and resolutions of the shareholders' general meeting;

(XI) to formulate proposals for the Company to change the direction of the raised funds and submit them to the shareholders' general meeting for approval;

(XII) to formulate proposals for the sale or purchase of major assets of the Company and submit them to the shareholders' general meeting for approval;

(XIII) to formulate proposals for foreign guarantee requiring the approval of the shareholders' general meeting;

(XIV) to formulate proposals for connected transactions requiring the approval of the shareholders' general meeting;

(XV) to decide on the establishment of the Company's internal management organization;

(XVI) to appoint or remove the Company's president and secretary to the Board; to decide to appoint or remove the Company's vice president, chief financial officer and other senior management members as nominated by the president, and to decide on their remuneration, rewards and punishments;

(XVII) to formulate and enact the basic management system of the Company;

(XVIII) to formulate the proposals for any amendment to the Articles of Association;

(XIX) to manage the information disclosure of the Company;

(XX) to request the shareholders' general meeting to engage or replace the accounting firm that provides audits for the Company;

(XXI) to listen to the work report of the president of the Company and examine the president's work; and

(XXII) other powers stipulated by laws, regulations or the Articles of Association, and granted by the shareholders’ general meeting. Article 65 The Board shall exercise its functions and powers in accordance with the provisions of the Company Law, the Articles of Association and the Rules.

No director may act in his/her name on behalf of the Company or the Board without the lawful authorization under the provisions of the Articles of Association or by the Board. Where a director acts in his/her own name, the director shall declare in advance his/her position and identity in the case that a third party would reasonably believe that the director is acting on behalf of the Company or the Board.

Article 66 The Board shall make explanations to the shareholders' general meeting on the audit opinion issued by the certified public accountants with qualified opinions on the Company's financial reports.

Article 67 The Board shall establish strict examination and decision-making procedures within the prescribed limits of authority for investment, asset disposal, contract signing and foreign guarantee; and for major investment projects, relevant experts and professionals shall be organized to conduct preliminary evaluation.

Article 68 In cases where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets disposed within four months before the proposed disposal, exceeds 33% of the fixed assets value set out in the latest balance sheet reviewed by the shareholders’ general meeting, the Board shall not dispose or consent to dispose such fixed assets without prior approval at the shareholders' general meeting.

The disposal of fixed assets referred to in this Article includes the transfer of interests of certain assets, but excludes the provision of fixed assets as pledges to any guarantee.

The validity of transactions conducted by the Company in relation to the disposal of fixed assets shall not be affected notwithstanding any violation of the provisions set out in the first paragraph of this Article. Article 69 If the Board makes a resolution on external guarantee in violation of laws, regulations or the authorities and procedures stipulated in the Articles of Association, thereby causing losses to the interests of the Company or shareholders, the directors voting shall be jointly and severally liable to the Company or shareholders, except those directors who explicitly express their objections and record the objections in the minutes of the meeting.

Section 2 Convening and Notification of the Board Meetings

Article 70 The Board shall hold regular meetings twice a year, once every six months, which shall be called by the chairman of the Board and shall be notified in writing to all the directors ten days (excluding the date of the meeting) before the meeting.

Article 71 The chairman of the Board shall convene an extraordinary Board meeting within ten days where a meeting is:

(I) proposed by the shareholders representing more than 10% of the shares with voting rights of the Company;

(II) considered by the chairman of the Board to be necessary;

(III) jointly proposed by one-third or more of the directors;

(IV) jointly proposed by half more of the directors;

(V) proposed by the Board of Supervisors;

(VI) proposed by the president; and

(VII) other circumstances under which a Board meeting shall be convened according to the Articles of Association.

Article 72 An extraordinary meeting of the Board shall be convened by the chairman of the Board and a notice shall be given to all the directors three days (excluding the date of the meeting) before the meeting.

The form of notice specified in the preceding paragraph may be in writing, facsimile, E-mail, personal delivery or any other lawful forms. If the notice is not in writing, all the written materials of the meeting shall be served on the directors not later than two days from the date of the notice.

If the chairman of the Board is unable to perform his/her duties, the vice chairman of the Board shall convene an extraordinary meeting of the Board on his/her behalf (where the Company has two or more vice chairmen, the vice chairman jointly elected by more than half of the directors shall perform the duties); If the chairman of the Board fails to perform his/her duties without reason and the vice chairman of the Board fails to perform duties on his/her behalf, a director jointly nominated by more than half of all the directors may be responsible for convening the meeting.

Article 73 The regular meeting of the Board shall be held in the form of an on-site meeting, and the extraordinary meeting may be held either in the form of an on-site meeting or by means of communication voting at an off-site meeting.

Article 74 The notice of the Board meeting shall include:

(I) the date and venue of the meeting;

(II) the way in which the meeting is held;

(III) the matters for consideration (meeting proposals);

(IV) the convener and presider of the meeting, the proposer of the extraordinary meeting and other written proposals;

(V) materials necessary for directors' voting at the meeting;

(VI) the requirement that directors shall attend the meeting in person or entrust another director to attend the meeting on his/her behalf; and

(VII) contact person and contact details.

The oral notice of the meeting shall at least include the contents of Items (I) and (II) in the preceding paragraph, as well as the explanation as to the reason for holding a Board meeting as soon as possible in case of emergency.

Article 75 The Board shall notify all directors in advance within the prescribed time and provide sufficient materials, including but not limited to the relevant background materials listed in the notice of meeting as well as other information and data that may help the directors to understand the progress of the Company's business.

When two or more than two independent directors consider that the materials are insufficient or the argument is not clear, they may jointly propose in writing form to the Board to postpone the Board meeting or to postpone the consideration of the relevant matter, and the Board shall adopt it and make a decision within ten working days.

Article 76 The documents of the Board meeting shall be drafted by the securities department of the Company. The meeting papers shall be served on the directors within the prescribed period of notice.

Article 77 The directors shall carefully read the meeting documents served by the office of the Board, and give full consideration to and prepare opinions on various proposals.

Section 3 The Convening of the Board Meeting

Article 78 A meeting of the Board shall be held only when half more directors are present, and each director shall have one vote. In the event of a tie between for and against, the chairman of the Board shall be entitled to one additional vote, unless otherwise provided by laws and regulations, the securities regulatory authorities and the stock exchange where the Company’s shares or GDRs are listed.

Senior management members who are not directors may attend Board meetings without voting rights.

Article 79 A director shall attend the Board meeting in person. If a director is unable to attend the Board meeting, he/she may appoint another director by a written power of attorney to attend on his/her behalf. Attendance by appointment is also considered attendance.

The power of attorney shall indicate the name of the proxy, the delegated matters, authorities and term of validity, and it shall be signed or stamped by the appointer. The proxy shall exercise the rights of a director within the scope of the authorization.

If a meeting of the Board is held by means of communication, a director who votes in writing by fax shall be deemed to be present.

A director failing to attend the Board meeting in person or by proxy shall be deemed as having waived his/her voting rights at such meeting.

Article 80 An ordinary resolution adopted by the Board must be approved by more than half of all the directors; and a special resolution of the Board must be approved by a two-thirds majority of all the directors.

Article 81 The following matters shall be decided by special resolution of the Board:

(I) to formulate plans for repurchase of shares, or merger, division, dissolution, and liquidation;

(II) to formulate the proposals for any amendment to the Articles of Association;

(III) the external guarantees of the Company; and

(IV) other matters adopted by ordinary resolutions of the Board that shall be adopted by special resolutions. Matters other than those specified in the preceding paragraph shall be decided by the Board by ordinary resolutions.

Article 82 A meeting of the Board shall be presided over by the chairman of the Board, and the proposals listed in the notice of the meeting shall be deliberated in order. Any change in the order of proposals specified in the notice of meeting shall be made with the consent of a majority of the directors present.

Article 83 The Board meetings shall not consider any proposals or matters not listed in the notice of the meeting, nor shall any change be made to the original proposals, otherwise it shall be deemed as a new proposal and shall be submitted to the next Board meeting for deliberation.

Article 84 After the presider of the meeting announces the opening of the meeting, the contents of the proposals corresponding to each item of the meeting shall be deliberated in order.

Article 85 The agenda of the Board deliberation meeting may be discussed in the form of free speech, but attention shall be paid to keeping the meeting in order. Speakers shall not use offensive or other insulting or threatening words. The presider shall have the right to decide the discussion time.

Article 86 The presider of the meeting shall orally ask the directors present whether the proposals have been deliberated or not. If the proposals have not been deliberated, the presider shall give an oral explanation; otherwise, the proposals shall be deemed to have deliberated.

The Board shall adopt the rule of centralized deliberation and sequential voting on the proposals, that is, after all the proposals have been deliberated by all the directors present, the proposals shall be voted on one by one according to the order of deliberation.

Article 87 The Board may, if it deems necessary, call other persons related to the proposals of the meeting to attend the meeting, make presentations or express opinions, provided that non-members of the Board shall have no right to vote on the proposals.

Article 88 The directors present at the meeting shall, in a serious and responsible manner, deliberate the proposals and express their personal opinions freely; and directors shall be responsible for their individual votes.

Article 89 The regular and extraordinary meetings of the Board shall be voted by show of hands. If a director is present at the meeting on behalf of other directors, a separate vote shall be taken.

The Board meeting may accept the directors to vote by fax on the premise that the directors can fully express their opinions. The directors participating in the fax voting shall simultaneously sign the Board resolution document by fax and, after such meeting, by post.

Article 90 The presider of the meeting shall count the voting results of each proposal and publish them on the spot, and the minute keeper of the meeting shall record the voting results.

Article 91 The Board shall abide by relevant laws and regulations and the relevant provisions of the Articles of Association when deliberating connected transactions, major asset disposal, major investment, loans and external guarantees.

Section 4 Resolutions and Minutes of the Board Meetings

Article 92 After each proposal has received the required number of valid votes, it shall be declared by the presider of the meeting as a resolution of the Board.

The resolution of the Board shall become effective upon being signed by the directors present at the meeting. No amendment or alteration shall be made to the effective resolution of the Board without following the legal procedures prescribed by laws, regulations and the Articles of Association.

Article 93 Directors shall sign on and be responsible for the resolutions of the Board. If the resolution of the Board violates laws, regulations, securities regulatory authorities of the place where the Company's stocks or GDRs are listed, or the Articles of Association of the Company, causing losses to the Company, the directors participating in the resolution shall be liable for compensation to the Company.

However, the director may be exempted from the liability if his/her objection has been expressed at voting time and recorded in the meeting minutes.

Article 94 The notice of a Board resolution shall include:

(I) the date and method of giving meeting notice;

(II) the time and venue of the meeting and the method by which the meeting is to be held, and whether it complies with the relevant laws, regulations, the Rules and provisions of the Articles of Association;

(III) the number and names of the directors present in person, by proxies or absent, the reasons for their absence and the names of the proxies;

(IV) the number of votes of consent, objection and abstention received for each proposal and the reasons for objection or abstention by the directors concerned;

(V) If connected transactions are involved, the names, reasons for and circumstances of the directors who shall withdraw from voting shall be stated;

(VI) If the prior approval or opinion of the independent director is required, the prior approval or the expressed opinion shall be stated; and

(VII) the specific contents of the items under consideration and the resolutions adopted at the meeting.

Article 95 Where a resolution of the Board violates laws or administrative regulations and is invalid, thereby infringing upon the legitimate rights and interests of the shareholders, the shareholders shall have the right to institute civil proceedings in the people's court according to law.

The shareholders are entitled to ask the people's court to cancel the relevant resolution within 60 days after the resolution is made if the convening procedure or the voting method of the Board meeting violates the laws, administrative regulations or the Articles of Association, or the resolution content breaches the Articles of Association.

If the Company has registered the alteration according to the resolution of the Board, after the people's court declares the resolution invalid or cancels the resolution, the Company shall apply to the Company's registration for cancellation of the alteration registration.

Article 96 During the implementation of a resolution of the Board, the chairman of the Board or other directors designated by him/her shall conduct a follow-up inspection on the implementation of the resolution, and may request and urge the president to make a correction if any violation of the resolution is found in the inspection. If the president refuses to accept the opinion, the chairman of the Board may call an extraordinary meeting of the Board to make a resolution and request the president to make a correction.

Article 97 The meeting of the Board shall have minutes, and the directors, the secretary to the Board and the minute keepers present at the meeting shall sign their names on the minutes. Directors attending the meeting shall have the right to have their speeches at the meeting descriptively recorded on the meeting minutes. The minutes of Board meetings shall be kept in corporate archives for a period of 15 years.

Article 98 The minutes of the Board meeting shall be complete and true, and shall include:

(I) the date and venue of the meeting and the name of the convener;

(II) names of the directors present and of directors (proxies) appointed by others to attend the Board meeting;

(III) agenda of the meeting;

(IV) main points made by the directors; and

(V) voting method and results of each item (the results of the voting shall indicate the number of votes approved, opposed or abstained);

Section 5 Secretary to the Board

Article 99 The Board shall appoint the secretary to the Board. The secretary to the Board shall be a member of the senior management of the Company and be accountable to the Board.

Article 100 The secretary to the Board shall possess the professional knowledge of finance, management and law necessary for the performance of his/her duties, have good professional ethics and personal morality, and obtain the Board Secretary Qualification Certificate issued by the Shenzhen Stock Exchange. In the conditions as set out below, the following persons shall not serve as secretary to the Board of the Company:

(I) the circumstances in which he/she has been prohibited to be appointed as a director according to the requirements of the Articles of Association;

(II) persons who are imposed by the CSRC a ban from entering into the securities market, and within the banned period;

(III) it has been less than three years since he/she received the latest administrative punishment from the CSRC;

(IV) having been subject to the public censure or criticized in a circulated notice for more than three times by the stock exchange in the last three years;

(V) the current supervisor of the Company; and

(VI) other circumstances in which he/she is unfit to serve as secretary to the Board.

Article 101 The secretary to the Board shall be responsible to the Company and the Board and shall perform the following duties:

(I) to be responsible for the Company's information disclosure, coordinating the Company's information disclosure, organizing the formulation of the management system of the Company's information disclosure, and urging the Company and the relevant information disclosure obligor to comply with the relevant regulations on information disclosure, so as to ensure that the Company prepares and submits reports and documents required by the competent authorities in accordance with the law;

(II) to be responsible for the management of investor relations and shareholder data of the Company, coordinating the information communication between the Company and securities regulatory agencies, shareholders and actual controllers, securities service providers, media, etc., ensuring the proper establishment of the Company's shareholder register, and ensuring that the relevant records and documents of the Company are timely obtained by those entitled to them, unless otherwise prescribed by laws, administrative regulations, listing rules of the stock exchange where the Company's shares or the GDRs are listed;

(III) to organize and prepare Board meetings and shareholders' general meetings, attend shareholders' general meetings, Board meetings, meetings of the Board of Supervisors and relevant meetings of senior management members, and to take charge of the minutes of the Board meetings and sign for confirmation so as to ensure that the Company has complete organizational documents and records;

(IV) to be responsible for the confidentiality of the Company's information disclosure, and timely report to the Shenzhen Stock Exchange and announce the disclosure of undisclosed material information;

(V) to pay attention to public media reports, take the initiative to verify the real situation, and urge the Board to promptly respond to the inquiries of the Shenzhen Stock Exchange;

(VI) to organize directors, supervisors and senior management members to conduct trainings on securities laws and regulations and relevant rules of the Shenzhen Stock Exchange, and assist the aforementioned personnel to understand their rights and obligations in information disclosure;

(VII) to urge directors, supervisors and senior management members to abide by securities laws and regulations, departmental rules, regulatory documents, the Listing Rules of the ChiNext Market, other relevant provisions of the Shenzhen Stock Exchange and the Articles of Association, and earnestly fulfill their commitments; when it is aware that the Company has made or may make resolutions in violation of relevant provisions, it shall remind and report to the Shenzhen Stock Exchange immediately and truthfully;

(VIII) other duties required by the Company Law, the Securities Law, the China Securities Regulatory Commission and the Shenzhen Stock Exchange.

Article 102 The Company shall provide convenient conditions for the secretary to the Board to perform his/her duties, and the directors, supervisors, senior management members and relevant staff shall support and cooperate with the secretary to the Board in his/her work.

As a senior management member of the listed companies, the secretary to the Board shall have the right to participate in relevant meetings, consult relevant documents and learn the Company's financial and operating conditions for performing his/her duties. The Board and other senior management members shall support the work of the secretary to the Board, and shall give timely and truthful replies to the inquiries raised by the secretary to the Board and provide relevant materials.

Article 103 Directors or other senior management members of the Company may concurrently serve as the secretary to the Board.

Article 104 The secretary to the Board shall be nominated by the chairman of the Board and appointed by the Board.

Article 105 The Company shall, when appointing the secretary to the Board, sign a confidentiality agreement with him/her, requiring him/her to promise to continue to perform the confidentiality obligation during his/her term of office and after leaving office until the disclosure of relevant information, except the information involving the Company's violation of laws and regulations.

Article 106 Where the office of the secretary to the Board is held concurrently by a director, and a certain act is required to be done by the director and the secretary to the Board separately, the person who concurrently holds the offices of director and the secretary to the Board shall not perform such act in both capacities.

Article 107 When appointing the secretary to the Board, the Company shall also appoint a securities affairs representative to assist the secretary to the Board in performing his/her duties. When the secretary to the Board is unable to perform his/her duties, the securities affairs representative shall perform his/her duties and exercise the corresponding powers on his/her behalf. During this period, the secretary to the Board is not necessarily exempt from the responsibility of the Company's information disclosure.

A securities affairs representative shall obtain a Board Secretary Training Certificate issued by the Shenzhen Stock Exchange.

Article 108 The secretary to the Board shall be dismissed by decision of the Board. The secretary to the Board shall be dismissed with sufficient reasons and shall not be dismissed without cause.

Article 109 If the secretary to the Board is under any of the following circumstances, the Company shall dismiss him/her within one month after the occurrence of the relevant facts:

(I) one of the circumstances prescribed in Article 100 of the Rules occurs;

(II) he/she is unable to perform his/her duties for three consecutive months or more;

(III) major mistakes or omissions occur in the performance of his/her duties, causing heavy losses to investors; and

(IV) it violates laws, regulations, rules and the Articles of Association and causes heavy losses to investors.

Article 110 Before leaving office, the secretary to the Board shall be subject to the examination of his/her departure by the Board and the Board of Supervisors, and shall hand over the relevant archives and documents and the matters being handled or to be handled under the supervision of the Board of Supervisors of the Company.

Article 111 During the vacancy of the secretary to the Board, the Company shall promptly appoint a director or a senior management member to act for the secretary to the Board and appoint a new secretary to the Board as soon as possible.

Until the Company designates a person to act as the secretary to the Board, the chairman of the Board shall act as the secretary to the Board. If the vacancy of secretary to the Board lasts for more than three months, the chairman of the Board shall act as secretary to the Board until the Company appoints a new secretary to the Board.

Article 112 The Company shall actively establish and improve the investor management system and strengthen the communication and exchange with the shareholders, especially the shareholders of public shares, through various forms. The secretary to the Board shall be specifically responsible for the investor relations management of the Company.

**Chapter 5 Avoidance System**

Article 113 If a director him/herself or any enterprise for which he/she works has directly or indirectly connected with the contract, transaction or arrangement concluded or planned by the Company (except the employment contract), he/she shall disclose the nature and extent of his/her affiliation to the Board at the earliest opportunity, whether or not the matter is normally subject to the approval of the Board.

Unless the interested director has disclosed such affiliation to the Board as required under the preceding paragraph thereof and the matter has been approved by the Board at a meeting in which he/she was not counted in the quorum and had refrained from voting, the Company shall have the right to void the contract, transaction or arrangement, except where the other party is a bona fide party.

Article 114 When the circumstances mentioned in paragraph 1 of the preceding Article occur, a meeting of the Board shall be convened. The directors who are related to each other shall explain the relevant situation in detail at the Board meeting and make it clear that they will recuse themselves from voting.

The Board meeting shall hold a deliberative vote and make a resolution without counting the related directors in the quorum. If the Board lacks a quorum after the withdrawal of an associated director, it shall be dealt with in accordance with Article 116 of the Rules.

The minutes and resolutions of the Board shall indicate the circumstances in which related directors were not counted in the quorum and did not participate in the voting.

Article 115 If a director of the Company notifies the Board in writing before the Company first considers entering into the relevant contract, transaction, or arrangement, stating that the Company has an interest in a contract, transaction, or arrangement entered into by the Company at a later date because of the contents listed in the notification, the relevant director is deemed to have made the disclosure required by the preceding Article of this Chapter to the extent set forth in the notification.

Article 116 Where a director is affiliated with the enterprise involved in the resolution of the Board meeting, he/she shall not exercise the right to vote on the resolution, nor shall he/she exercise the right to vote on behalf of another director. The Board meeting can be held by more than half of the uninterested directors. The resolutions of the Board meeting shall be adopted by more than half of the uninterested directors. If the number of uninterested directors present at the Board meeting is less than three, the matter shall be submitted to the shareholders' general meeting for consideration.

**Chapter VI Supplementary Provisions**

Article 117 The Company will separately formulate the Working System for Independent Directors of Yangzhou Yangjie Electronic Technology Co., Ltd., as to the qualifications and authority of independent directors.

Article 118 The matters which have not been specified herein shall be implemented according to the requirements of relevant laws, regulations, the Articles of Association and other normative documents. In the event of any conflict between the Rules and the provisions of the Articles of Association, the provisions of the Articles of Association shall prevail.

Article 119 The Rules shall be subject to the interpretation of the Board.

Article 120 The Rules shall be considered and approved at the shareholders' general meeting of the Company and shall take effect from the date on which the GDRs issued by the Company are listed on the SIX Swiss Exchange, and the same shall apply when it is amended. The former Rules of the Company shall automatically become null and void as of the effective date of the Rules.

Board of Directors of  
Yangzhou Yangjie Electronic Technology Co., Ltd.

26 July, 2023