

CIMC VEHICLES (GROUP) CO., LTD.

RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS

(Considered and approved by the first extraordinary general meeting of
2020 on 30 September 2020)

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further regulate the discussion methods and decision-making procedures of the Board of the Company, facilitate the Directors and the Board of Directors to effectively perform their duties and improve the standard operation and scientific decision-making level of the Board, the Company formulates these rules in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), Special Provisions of the State Council on the Overseas Offering and Listing of Shares by the Joint Stock Limited Companies, the Mandatory Provisions for Articles of Association of Companies Listed Overseas, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (including relevant appendices, hereinafter referred to as the "Stock Exchange Listing Rules"), the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "ChiNext Market Listing Rules") and other relevant laws, regulations, regulatory documents and the Articles of Association of CIMC Vehicles (Group) Co., Ltd. (which will be applicable after the listing of H Shares, hereinafter referred to as the "Articles of Association").

Article 2 The Board shall abide by the national laws, regulations, normative documents as well as the Stock Exchange Listing Rules, the ChiNext Market Listing Rules, the Articles of Association and the Rules in decision-making; equally treat all shareholders, follow the code of conduct on safeguarding the legitimate interests of the Company and all shareholders, and honestly and diligently perform their own duties.

Article 3 A Director must not use the inside information learned from his work or decision-making activities to seek benefits for himself or others. The participants of the Board meeting shall abide by the principle of confidentiality, and no one shall disclose any confidential content of the Board meeting before the resolution of the Board is publicly disclosed according to law. The announcement and implementation of the resolution of the Board shall follow the prescribed procedures.

Article 4 The Board of the Company is responsible to the shareholders' general meeting and shall exercise its powers in accordance with the Company Law and the Articles of Association and within the authority granted by the shareholders' general meeting.

CHAPTER 2 COMPOSITION AND POWERS OF THE BOARD

Article 5 The Board consists of 9 Directors, including 3 independent non-executive Directors, accounting for no less than 1/3 of the quorum. The Board shall have a chairman and a vice chairman.

Article 6 The Board shall exercise its powers to the extent as provided by the Articles of Association according to law.

Article 7 The Board shall establish strict review and decision-making procedures for foreign investment, purchase and sale of assets, asset mortgage, external guarantee, entrusted financial management and related transactions; the Board shall organize relevant experts and professionals to evaluate any major events and report to the shareholders' general meeting for approval.

CHAPTER 3 ORGANIZATIONAL STRUCTURE OF THE BOARD

Article 8 The Board of Directors shall have the office of the Board to handle the daily affairs of the Board. The Company shall have a secretary to the Board who is responsible for making preparations for the shareholders' general meeting and the Board meeting of the Company, keeping the documents and managing the shareholders' materials of the Company. The secretary to the Board shall hold a concurrent post as head of the office of the Board and keep the seals of the Board and the office of the Board. The secretary to the Board may appoint relevant personnel to help him deal with the daily affairs.

Article 9 The Board sets up an audit committee, a remuneration committee, a nomination committee and other special committees thereunder. All members of the special Committees shall be Directors, among which, the audit committee must have at least three members, and all members shall be non-executive Directors, of whom the majority shall be independent non-executive Directors. At least one of these independent non-executive Directors shall be an independent non-executive Director with the proper qualification as required by the Stock Exchange Listing Rules and the ChiNext Market Listing Rules, or appropriate accounting or related financial management expertise. The chairman of the audit committee must be an independent non-executive Director. The majority of the members of the remuneration committee shall be independent non-executive Directors. The chairman of the remuneration committee must be an independent non-executive Director. The majority of the members of the nomination committee shall be independent non-executive Directors. The chairman of the nomination committee must be an independent non-executive Director.

Article 10 The Board may have a strategy and investment committee, which is mainly responsible for analyzing long-term development strategies and significant investment decisions of the Company, and providing suggestions.

Article 11 The audit committee, remuneration committee and nomination committee shall exercise their respective powers to the extent as provided by the Articles of Association according to law.

Article 12 Each special committee may engage an intermediary agency to provide professional advices at the expense of the Company.

Article 13 The Board formulates the rules of procedure for the aforesaid special committees. Each special committee shall be a specialized working mechanism of the Board. Each special committee shall be responsible to the Board and the proposals of each special committee shall be submitted to the Board for review and approval.

CHAPTER 4 CONVENING OF THE MEETINGS OF THE BOARD

Article 14 Board meetings shall be in the form of either regular meetings or extraordinary meetings.

Article 15 Meetings of the Board shall be convened by the chairman at least four (4) times a year at an interval of approximately once a quarter. A written notice of the meeting of the Board shall be delivered to all Directors and Supervisors 14 days prior to the meeting. Before issuing a notice to convene regular meetings of the Board, the office of the Board shall solicit the views of all Directors adequately to form an initial meeting proposal to be submitted to the chairman for preparation.

In preparing proposals, the chairman shall, if necessary, seek the views of the president and other senior management members.

The chairman of the Board, the Directors who have been consulted for advices, the president and other senior management members shall strictly perform their confidentiality obligations for inside information.

Article 16 Under the circumstances stipulated in the Articles of Association, the chairman of the Board shall convene and preside over extraordinary meetings within 10 days.

Article 17 If an extraordinary meeting is to be held in accordance with the proposals in the preceding article, a written proposal signed (or sealed) by the proposer shall be submitted to the chairman directly or through the office of the Board. Such written proposal shall contain the following items:

- (I) the name of the proposer;
- (II) the reasons or the objective matters such proposal is based on;
- (III) the time or time limit, place and manner of the proposed meeting;
- (IV) specific and detailed proposals;
- (V) the contact information of the proposer and the proposed date, etc..

The content of the proposal shall be the matters within the terms of reference of the Board as provided in the Articles of Association. Related materials should be submitted together with the proposal.

The office of the Board shall forward the written proposal and related materials to the chairman at the same date upon the receipt. If the chairman believes that the proposal is not specific, detailed or related materials are not sufficient, the chairman may request the proposer's modification or supplementation.

The chairman shall, within 10 days after receiving the proposal or the requirement from the securities regulatory authorities, convene and preside over the meeting of the Board.

Article 18 The meetings of the Board shall be convened and presided over by the chairman. In case the chairman of the Board cannot or fails to perform his duties, the vice chairman of the Board can be appointed by the chairman of the Board to perform his duties on behalf; in case both of the chairman and the vice chairman of the Board cannot or fails to perform their duties, one Director may be elected jointly by over half Directors to perform the duties of the chairman of the Board on behalf.

CHAPTER 5 NOTICE OF THE BOARD MEETING

Article 19 For convening the regular meetings and extraordinary meetings, the office of the Board shall send, 14 days and 3 days in advance respectively, the written notices of meetings affixed with the seal of the office of the Board to all Directors, Supervisors, the president and the secretary to the Board by personal delivery, registered mail or fax, etc. The notices which are not delivered by a special person shall be confirmed additionally by telephone.

If the situation is urgent so that an extraordinary meeting of the Board needs to be convened as soon as possible, a notice of the meeting may be sent at any time by telephone or by other oral means.

Article 20 The written notice of the meeting shall consist of at least the following:

- (I) date and venue of the meeting (including the manner of holding the meeting);
- (II) period of the meeting;
- (III) causes and issues of discussion;
- (IV) date of issuance of notice.

The oral notice of the meeting shall, at least, include items (I) and (III) in the preceding paragraph and an explanation as to the necessity for holding as soon as possible an extraordinary Board meeting.

Article 21 After issuing the written notice of the regular meetings of the Board, if there is any need to change the time, venue or other matters of the meeting, or to add, change or cancel a meeting proposal, a written notice of such change should be issued 3 days prior to the date of the original meeting to explain the situation and the contents of the new proposal and related materials. If less than 3 days are left, the meeting shall be postponed accordingly or be convened as scheduled with approval from all the participating Directors.

After issuing the notice of an extraordinary meeting of the Board, if there is any need to change the time, place or other matters of the meeting or to add, change, cancel a meeting proposal, a prior written consent of all the participating Directors shall be obtained and well documented.

Article 22 All the agendas and relevant documents of the regular meetings of the Board shall be submitted to all Directors timely, and shall be sent out at least three days (or other time as agreed) before the date of the scheduled meeting of the Board or its special committees. All other meetings of the Board shall also adopt the above arrangements where feasible.

Article 23 All Directors shall have the right to review the documents and related information of the Board. The form and quality of such documents and related information shall be sufficient to enable the Board to make informed and well-founded decisions on matters submitted to the Board for discussion. The Company must respond as quickly and comprehensively as possible to the questions raised by the Directors.

CHAPTER 6 CONVENING OF AND THE VOTING AT THE MEETINGS OF THE BOARD

Article 24 Unless otherwise provided by the Articles of Association, the Board meeting shall not be held unless more than one half of the Directors are present. Each Director shall have one vote.

When the number of votes cast for and against a resolution equals, the chairman of the Board shall have a casting vote.

Supervisors may be present at the Board meetings. If the president and the secretary to the Board do not concurrently serve as Directors, they shall also be present at the meeting. If the chairman of the meeting considers necessary, he/she may notify other relevant persons to be present at the meeting.

Article 25 If any Director has connection with the entity involved in the resolution of a meeting of the Board, or the resolution has connection with the contract, arrangement or any other suggestions in which the Director or any of his/her parties (“associates” as defined in the Stock Exchange Listing Rule or “related parties” as defined in the ChiNext Market Listing Rules) are substantially interested, such Director shall abstain from voting on the resolution and shall not vote on behalf of other Directors. When determining whether the quorum is reached, such Directors shall not be counted. The meeting of the Board may be held when more than half of the non-connected Directors attend the meeting.

Article 26 Resolutions at the Board meetings may be voted on by a show of hands or by open ballot.

On the premise of ensuring the Directors to fully express their opinions, resolutions at the extraordinary meetings of the Board may be voted on and adopted by means of communication, which shall be signed by the participating Directors. Directors voting by means of communication shall add their signatures afterwards and indicate the date of such signing.

Article 27 The Directors shall attend the Board meetings personally. If the Directors fail to or are unable to attend a meeting for certain reasons, they may entrust other Directors in writing to attend the meeting on their behalf. The power of attorney shall specify the name of the proxy, matters to be entrusted, scope of authority and duration of validity, which shall be signed or sealed by the principal.

Article 28 If other Directors are entrusted to sign a written confirmation for periodic reports as the representative, special authorization shall be contained in the power of attorney.

The entrusted Directors shall submit the written power of attorney to the chairman of the meeting and state the entrusted attendance on the attendance book of the meeting.

The appointed Director who attends the meeting shall exercise a Director's duties as authorized. If a Director fails to attend a meeting of the Board in person and fails to appoint a representative to attend the meeting, he/she shall be deemed to have waived his/her voting rights at the meeting.

Article 29 Attendance of a meeting of the Board by proxies shall be in compliance with the following principles:

- (I) In considering the connected transactions, unconnected Directors shall not entrust connected Directors to attend the meeting on behalf of themselves and the connected Directors shall not accept such entrustment;
- (II) Directors shall not grant full authorization to and entrust other Directors to attend the meeting without explaining their views and voting intention on the proposal and such other Directors shall not accept such full authorisation and unclear entrustment;
- (III) A Director shall not accept the entrustment of more than two Directors, and a Director shall also not entrust any Director who has already accepted the entrustment of two other Directors.

Article 30 The Board meetings shall follow the principle of on-site convening. On the premise of ensuring the Directors to fully express their opinions, the Board meetings may, if necessary, be convened by voting via video, telephone, fax or e-mail with the consent of the convener (chairman of the meeting) or the proposer. The Board meetings may also be held by the on-site method and by other means at the same time.

If a meeting is not convened on site, the number of participating Directors shall be calculated according to the Directors on site as shown in the video, the Directors expressing opinions at the teleconference, the valid votes actually received by fax or e-mail within the prescribed time limit, or the written confirmation letters of having attended the meeting as submitted by the Directors afterwards.

Article 31 The chairman of the meeting shall advise the Directors attending the meeting to express clear opinions on each proposal.

A Director who hinders the normal process of the meeting or affects the speech by other Directors shall be promptly stopped by the chairman of the meeting.

Unless the unanimous consent of all Directors attending the meeting is obtained, the meeting of the Board shall not vote on proposals not included in the notice of the meeting. The Directors who are entrusted by other Directors to attend the meeting on their behalf shall not vote on proposals not included in the notice of the meeting on behalf of such other Directors.

Article 32 The Directors shall read relevant meeting materials carefully and express their opinions independently and prudently on the basis of knowing the circumstances well.

The Directors may access the information for decision-making from the office of the Board, the meeting convener, the president and other senior management members, the special committees, the accounting firm, the law firm and other relevant personnel and agencies before the meeting and may also advise the chairman of the meeting to invite the above personnel and agencies to attend the meeting and explain related circumstances during the meeting.

Article 33 When each proposal is fully discussed, the chairman of the meeting shall propose to the attending Directors to vote in due course.

Each Director shall have one vote at the meeting. Three options in form of for, against and abstaining are available for the Directors to show their voting intentions. The attending Directors shall choose one of them. The host of the meeting shall ask relevant Directors who fail to choose or choose two or more options at the same time to make their choices again, and refusal to do so shall be regarded as abstaining from voting. Any Director who fails to return after leaving the meeting without making any choice shall be regarded as abstaining from voting.

Article 34 After the participating Directors finish voting, relevant personnel of the office of the Board shall collect the vote tickets of the Directors timely and submit them to the secretary to the Board for statistics under the supervision of a Supervisor.

The chairman of the meeting shall announce the statistic result on the spot for on-site meetings. Under other circumstances, the chairman of the meeting shall ask the secretary to the Board to inform the Directors of the voting result before the next working day after the end of specified time limit of voting.

The votes by the Directors after the chairman of the meeting announces the voting result or after the end of specified time limit of voting shall not be considered for statistics.

Article 35 Unless it is otherwise provided in the Rules, adoption of or resolution on any proposal shall be subject to approval of more than half of all the Directors. Where the relevant laws, administrative regulations, the Stock Exchange Listing Rules, the ChiNext Market Listing Rules and the Articles of Association have any provisions on approval of more Directors, such provisions shall apply.

Any resolution made by the Board on any guarantee within its scope of authority shall be subject to the approval of more than two thirds of all the Directors.

The contradictory contents and meanings of different resolutions shall be subject to the ones adopted later.

Article 36 In any of the following circumstances, the Directors shall abstain from voting on the relevant proposals:

- (I) Where the Stock Exchange Listing Rules and the ChiNext Market Listing Rules provide that the Directors shall abstain from voting;
- (II) Where the Directors themselves consider that they shall abstain from voting;
- (III) Where the Articles of Association provide that the Directors shall abstain from voting as a result of their connected relationship with the enterprises involved in the proposals.

Where any Director is required to abstain from voting, the relevant meeting of the Board may be held when more than half of the uninterested Directors attend the meeting, and the resolutions formed shall be passed by more than half of the uninterested Directors. If the number of uninterested attending Directors is less than 3, the relevant proposal shall not be voted on but shall be submitted to the shareholders' general meeting for deliberation.

Article 37 The Board shall act in strict accordance with the authorizations by the shareholders' general meeting and the Articles of Association and shall be forbidden to form resolutions by ultra vires.

Article 38 For the unapproved proposal, the Board meetings shall not review the proposal with the same contents within one month again without the occurrence of material changes in relevant conditions and factors.

Article 39 If more than half of the participating Directors deem that the proposal is unclear and unspecific or they are unable to judge related matters due to inadequate meeting materials and other reasons, the chairman of the meeting shall require the meeting to postpone the voting on such proposal.

The Director who advises postponing the voting shall put forward clear requirements on the conditions for resubmitting such proposal for review.

CHAPTER 7 MINUTES OF THE BOARD MEETING AND ANNOUNCEMENT OF RESOLUTIONS

Article 40 Full voice recording may be made optionally for the on-site meetings of the Board which convened in the forms of video, telephone and so on.

Article 41 The Board shall keep minutes of the matters discussed in the meeting. The attending Directors and the person taking the minutes shall sign the minutes of the meeting. The attending Directors are entitled to request that an explanatory record of their comments made at the meetings be noted in the minutes. Minutes of meeting of the Board shall be maintained as company files by the secretary of the Board.

Article 42 The secretary to the Board shall arrange the office staff of the Board to keep minutes for the Board meetings. The meeting minutes should include the information stipulated in the Articles of Association.

In terms of the meeting minutes of the Board and the committees under the Board, sufficient and detailed records shall be kept for matters considered and decisions made at the meeting, which shall include any doubt raised by the Directors or any dissenting opinion expressed by the Directors. The first draft and final draft of the minutes shall be sent to all Directors within a reasonable period of time after the meeting, where the first draft shall be used by the Directors for their comments and the final draft for their record.

The Directors shall sign and be responsible for the resolutions of the Board. Where a resolution of the Board is in violation of laws, regulations, or the Articles of Association, thereby causing losses to the Company, the Directors who took part in the resolution shall be liable to the Company for damages. However, where a Director can prove that he/she expressed his/her opposition to such resolution when such resolution was put to the vote, and that such opposition was recorded in the minutes of the meeting, the Director shall be relieved from such liability.

Article 43 Besides the minutes of meeting, the secretary to the Board may also, if necessary, arrange the office staff of the Board to make a brief meeting summary according to the convening of the meeting and make the separate minutes for the resolutions adopted according to the statistic result of voting.

Article 44 The participating Directors shall confirm the minutes of meeting and the minutes of resolution by signature on behalf of themselves and those Directors who have entrusted them to attend the meeting as their representatives. The Director may explain in writing when signing, for any dissenting opinion on the minutes of meeting or the minutes of resolution.

In case that the Director neither confirms by signature according to the preceding paragraph nor explains his dissenting opinion in writing or reports to the regulatory authorities or makes public statements, he/she shall be regarded as being in full agreement with the contents of the minutes of meeting and the minutes of resolution.

Article 45 The matters in a Board resolution that are required to be announced shall be dealt with by the secretary to the Board in accordance with the relevant provisions. Prior to the disclosure of the announcement of resolutions, the participating Directors and other attendees, recorders and service personnel are liable for the confidentiality of the content of the resolutions.

Article 46 The chairman of the Board shall supervise and urge relevant personnel to implement the resolutions of the Board, check the implementation of the resolutions, and report the implementation progress of the adopted resolution on the subsequent Board meetings.

Article 47 Files of the Board meeting, including meeting notices, meeting materials, attendance book, power of attorney for the Directors to attend as representative, meeting recording materials, vote tickets, the minutes, meeting summary, minutes of resolution and resolution announcements confirmed by the signatures of the participating Directors, shall be kept by the secretary to the Board.

In case that any Director issues a reasonable notice, relevant minutes shall be made available for his/her review within a reasonable period of time.

Article 48 The announcement on the resolutions of the Board shall cover the following information:

- (I) The time and form of delivery of the meeting notice;
- (II) The time, venue and form of convening of the meeting, and an explanation in compliance with laws, administrative regulations, departmental rules, the Stock Exchange Listing Rules, the ChiNext Market Listing Rules and the rules of the Company;
- (III) Number and names of the Directors appointing proxies and those absent, and the reasons for absence and the names of Directors appointed as proxies;
- (IV) Number of votes for and against each proposal and the number of abstentions, and the reasons for Directors' objections or abstentions;
- (V) Where a resolution relates to a connected transaction, providing the name of any Director who must abstain from voting as well as the reason for the abstaining and abstaining particulars;
- (VI) Where a prior approval or an independent opinion is required from independent Directors or sponsors, providing particulars of the prior approval or the opinion issued;
- (VII) Details of the matters considered and the resolutions adopted at the meeting.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

Article 49 In case of one of the following situations, the Board shall amend these Rules in a timely manner:

- (I) The matters regulated in the Rules are inconsistent with relevant national laws, administrative regulations, or normative documents which are revised, or new laws, administrative regulations or normative documents are formulated and issued;
- (II) After amendments have been made to the Stock Exchange Listing Rules and the ChiNext Market Listing Rules, the matters stipulated in these Rules conflict with the Stock Exchange Listing Rules and the ChiNext Market Listing Rules;
- (III) After amendments have been made to the Articles of Association, the matters stipulated in these Rules conflict with the Articles of Association;
- (IV) When the shareholders' general meeting determines to amend the Rules.

The amendments of the Rules which fall to be the information required to be disclosed pursuant to laws, administrative regulations or normative documents, the Stock Exchange Listing Rules and the ChiNext Market Listing Rules shall be so disclosed accordingly.

Article 50 The terms “above”, “below” and “within” as mentioned in these Rules are inclusive, while “less than”, “other than”, “lower than” and “more than” are exclusive.

Article 51 After being considered and approved at the general meeting of the Company, the Rules shall take effect and be implemented from the date of the initial public offering of the RMB ordinary shares (A Shares) of the Company in the People’s Republic of China and when they are listed on the ChiNext Market of Shenzhen Stock Exchange.

Article 52 These Rules shall be interpreted by the Board.

Article 53 Should there be any discrepancy between these Rules and relevant laws and regulations, relevant provisions of regulatory bodies and the Articles of Association, relevant laws and regulations, relevant provisions of regulatory bodies and the Articles of Association shall prevail.

CIMC Vehicles (Group) Co., Ltd.
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