

XIAMEN JIHONG CO., LTD

廈門吉宏科技股份有限公司

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

(Stock Code: 2603)

Procedures for Shareholders to Nominate Candidates for Directors

Article 1 To further clarify the procedures for shareholders of Xiamen Jihong Co., Ltd (the “**Company**”) to nominate candidates for directors, these Procedures are formulated in accordance with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), other applicable laws, regulations, normative documents, the regulatory rules of the place where the Company’s shares are listed, and the Articles of Association, and in light of the Company’s actual circumstances.

Article 2 The methods and procedures for shareholders to nominate candidates for directors are as follows:

- (1) Directors shall be elected or replaced by the shareholders’ general meeting in accordance with the Articles of Association and shall serve a term of three years. A director may be re-elected and re-appointed upon the expiry of his or her term, unless otherwise provided by relevant laws, regulations, or the Articles of Association. An independent non-executive director shall also serve a term of three years and may be re-elected and re-appointed, but shall not exceed a cumulative term of nine years, in which case the re-election and re-appointment of any independent non-executive director that is to serve more than nine years shall be subject to consideration and approval by shareholders by way of a separate resolution, unless otherwise stipulated by relevant laws, regulations, or the regulatory rules of the place where the Company’s shares are listed.
- (2) Under normal circumstances, candidates for directors shall submitted by the Board of Directors of the Company to the shareholders’ general meeting by means of proposal. Shareholders of the Company may nominate candidates for directors in accordance with the Articles of Association. Any shareholders, individually or jointly holding not less than 3% of the total number of the Company’s outstanding shares attached with the voting rights, may submit a written proposal to the shareholders’ general meeting to nominate candidates for directors, provided that the proposed candidates and their roles must comply with the requirements under the Articles of Association. Such proposals made by shareholders to the Company shall be submitted to the convenor of the shareholders’ general meeting at least ten days prior to the holding of the shareholders’ general meeting. Upon receipt of the proposals, the convenor shall issue a supplemental notice of the shareholders’ general meeting within two days to announce the details of the ad hoc proposals.

Article 3 Candidates for directors must possess qualifications and satisfy the relevant provisions as stipulated under laws, administrative regulations, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place of listing, and the Articles of Association.

Article 4 Unless otherwise specified, the terms used in these Procedures shall have the same meanings as those defined in the Articles of Association.

Article 5 For any matters left unsettled in these Procedures or in the event of any inconsistency between these Procedures and any subsequently promulgated laws, administrative regulations, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place of listing, or the amended Articles of Association (duly approved through lawful procedures), such relevant national laws, administrative regulations, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place of listing, and the Articles of Association shall prevail. These Procedures shall be amended accordingly and submitted to the Board of Directors for consideration and approval as soon as practicable.

Article 6 These Procedures shall become effective upon consideration and approval by the Board of Directors and from the date on which the Company's overseas-listed foreign-invested shares (H shares) are listed on The Stock Exchange of Hong Kong Limited.

Article 7 The right to interpret and amend these Procedures shall be reserved for the Board of Directors of the Company.