

Articles of Association of Changzhou Merrygold Machinery & Electronic Co., Ltd

Chapter 1 General Provisions

Article 1 In accordance with the *Company Law of the People's Republic of China* (hereinafter referred to as the *Company Law*) and relevant laws and regulations, jointly invested by the shareholders, Changzhou Merrygold Machinery & Electronic Co., Ltd (hereinafter referred to as the Company) is established and the Articles of Association is hereby made. The Articles of Association is binding on the company, the shareholders, the directors, the supervisors and the senior management personnel.

Article 2 If any of the articles of the Articles of Association are against the laws, regulations and rules, the latter shall prevail.

Changzhou Merrygold Machinery & Electronic Co., Ltd (paging seal)

Chapter 2 Name and Location of the Company

Article 3 Name of the Company: Changzhou Merrygold Machinery & Electronic Co., Ltd

Article 4 Location: Room 118 No. 1 Building Tianning Times Plaza Tianning Dis., Changzhou City

Chapter 3 Business Scope of the Company

Article 5 Business scope of the Company: Sales of motors, electronic components, electronic products, electric vehicles and spare parts, metal materials, plastic products, textiles, clothing, cosmetics, office supplies, bicycles and spare parts; proprietary trading and agency of import and export of various commodities and technologies (excluding those commodities and technologies whose operation is limited to certain enterprises or whose import and export is prohibited by the state). (Items requiring approval in accordance with the laws shall be operated with the approval of the relevant departments)

Chapter 4 Registered Capital and Register of Shareholders of the Company

Article 6 Registered capital of the Company: RMB Five Million Yuan.

Article 7 See the schedule for the Register of Shareholders of the Company.

Chapter 5 Company Organization and Its Establishment,

Authority and Rules of Procedures

Article 8 The Board of Shareholders, consisting of all shareholders, shall be the authority of the Company, exercising following functions and powers:

- (1) To decide the operation policy and investment plan of the Company;
- (2) To elect and replace the executive directors and supervisors who are not the employee representatives and decide their remuneration;
- (3) To deliberate and approve the report of the executive directors;
- (4) To deliberate and approve the report of the supervisors;
- (5) To deliberate and approve the annual financial budget scheme and final accounts scheme of the Company;
- (6) To deliberate and approve the profit distribution scheme and loss compensation scheme of the Company;
- (7) To make resolution on increasing or reducing the registered capital of the Company;
- (8) To make resolution on the issuance of bonds of the Company;
- (9) To make resolution on merger, division, dissolution, liquidation or form changing of the Company; and
- (10) To amend the Articles of Association.

If the shareholders express unanimous consent to the foregoing matters in writing, a decision can be made directly without holding a Shareholders' Meeting, and all the shareholders shall sign (affix seal) on the decision document.

Article 9 The 1st Shareholders' Meeting shall be convened and presided over by the shareholder who makes the largest contribution.

Article 10 Shareholders shall exercise their voting power according to their subscribed contribution proportion in the Shareholders' Meeting.

Article 11 The Shareholders' Meeting shall include regular meeting and interim meeting.

All shareholders shall be informed 15 days before the convening of the Shareholders' Meeting.

The notice of the Shareholders' Meeting is agreed to be delivered by mail. The shareholders shall report to the executive director of the Company to agree on the address for service. The notice of the Shareholders' Meeting takes sending of notice mail to the agreed address for service of the shareholders by the executive director as the mark of service. Change of the agreed address for service of the shareholders shall be timely reported to the executive director for filing, otherwise, the Company will still take the original address as the address for service.

The regular meeting shall be convened once a year, and the interim meeting shall be convened only with the proposal of the shareholders having more than 1/10 voting powers, executive directors or supervisors.

Article 12 The Shareholders' Meeting shall be convened and presided over by the executive director; where the

executive director cannot fulfill or fails to fulfill his duties, the meeting shall be convened and presided over by the supervisor; if the supervisor fails to convene or preside over the meeting, the meeting can be convened and presided over by shareholder representing more than 1/10 voting powers independently.

Article 13 Resolutions shall be approved by the shareholders having more than 2/3 voting powers on the amendment of the Articles of Association, increase or decrease of registered capital, as well as merger, division, dissolution or form changing of the Company.

Resolutions of the Shareholders' Meeting on the matters other than those listed in the foregoing paragraph must be approved by the shareholders representing more than 1/2 voting powers.

Article 14 The Company does not set up the manager and has one executive director, who shall be elected by the Board of Shareholders. The tenure of the executive director shall be 3 years and may be renewed by reelection after termination.

Article 15 The executive director shall be responsible for the Board of Shareholders, exercising the following functions and powers:

- (1) To convene the Shareholders' Meeting and report to the Board of Shareholders;
- (2) To perform the resolutions of the Board of Shareholders;
- (3) To decide the operation plan and investment scheme of the Company;
- (4) To formulate the annual financial budget scheme and final accounts scheme of the Company;
- (5) To formulate the profit distribution scheme and loss compensation scheme of the Company;
- (6) To formulate the scheme of increasing or decreasing the registered capital of the Company and issuing the Company's bonds;
- (7) To draw up the scheme of merger, division, form changing and dissolution of the Company;
- (8) To decide the setting of the Company's internal management organizations;
- (9) To decide to appoint or dismiss the financial chief and decide his/her remuneration;
- (10) To formulate the basic management system of the Company.

Article 16 The Company does not set up the Board of Supervisors and has one supervisor, who shall be elected by the Board of Shareholders. The tenure of the supervisor shall be 3 years and may be renewed by reelection after termination.

Article 17 The supervisor shall exercise following functions and powers:

- (1) To check the finance of the Company;
- (2) To supervise the actions of the executive director and senior management personnel during their performance and propose to dismiss the executive director and senior management personnel violating the laws, administrative regulations, the Articles of Association, or the resolutions of the Board of Shareholders;
- (3) To request the executive director and senior management personnel to make correction when their actions make

damage to the interest of the Company;

(4) To propose to convene interim Shareholders' Meeting, and convene and preside over the Shareholders' Meeting if the executive director can't fulfill or fails to fulfill his duties to convene and preside over the Shareholders' Meeting;

(5) To submit proposals to the Shareholders' Meeting; and

(6) To bring a lawsuit against the executive director and senior management personnel according to Article 151 of the *Company Law*.

The supervisor can investigate the abnormal operation conditions of the Company discovered by him; he can employ the accounting firm, etc. to assist his work when necessary, with the expenses borne by the Company.

Chapter 6 Legal Representative of the Company

Article 18 The executive director shall be the legal representative of the Company and legally registered.

Besides exercising the functions and powers stipulated in the Articles of Association, the legal representative shall also exercise the following functions and powers:

(1) To keep the business license of the Company and keep and use the official seal of the Company;

(2) To sign relevant legal documents on behalf of the Company.

Article 19 When the legal representative of the Company has one of the following circumstances, the Company shall remove him/her from office and re-elect the legal representative conforming to the qualification:

(1) The legal representative has the circumstances that he/she may not serve as the legal representative according to the laws, administrative regulations or decisions of the State Council;

(2) The legal representative is disqualified for being an executive director;

(3) The legal representative loses his/her personal freedom due to detainment, etc. and can not fulfill the duties of a legal representative;

(4) Other circumstances causing the legal representative to be unable to fulfill his/her duties.

(5)

Chapter 7 Miscellaneous Matters Required by the Shareholders' Meeting

Article 20 Responsibilities of the shareholders for violation of the obligation of making contribution. The shareholders failing to make contribution as stipulated shall undertake the liability of breach to the shareholders who have made contribution on schedule and in full besides making contribution to the Company in full.

After the company is established, if the actual value of the material object, intellectual property, land use right and other non-monetary assets provided by the shareholders as the contribution is obviously lower than the amount stipulated in the

Articles of Association, the shareholder making such contribution shall additionally pay the difference. The material object, intellectual property, land use right and other non-monetary assets in the original contribution shall be evaluated and priced again.

Article 21 The business period of the Company shall be long term, which shall be calculated from the date of issuing the business license of the Company.

Article 22 Shareholders of the Company can mutually transfer part or whole of their shares.

Article 23 Share transfer to anyone other than the shareholders by any shareholder shall be subject to the consent by a majority of other shareholders; The shareholder shall notify other shareholders for consent about the transfer in written form and the failure by those shareholders to make reply 30 days after receiving the written notice shall be deemed as consent to the transfer. A majority of other shareholders who don't consent to the transfer shall purchase the share to be transferred; and the failure by those shareholders to make such purchase shall be deemed as consent to the transfer.

Where shareholders consent to transfer the share, other shareholders shall have the preemptive right under the same conditions. Where 2 or more shareholders claim to exercise the preemptive right, their respective purchase proportion shall be determined through negotiation; if negotiation fails, the preemptive right shall be exercised according to their contribution proportion.

Article 24 After a natural person shareholder dies, his/her lawful successor may inherit the shareholder qualification.

Article 25 Investment on other enterprises or tendering of guarantee for the others by the Company shall be decided by the Board of Shareholders.

Where the Company provides guarantee for the shareholder or actual controller of the Company, such shareholder or the shareholder controlled by the actual controller shall not participate in vote, such vote shall be passed by a majority of the voting right held by the other shareholders attending the meeting.

Article 26 Profit shall be distributed to the shareholders according to their subscribed contribution proportion.

Article 27 The Company shall prepare a financial accounting report at the end of each fiscal year, which shall be audited by the accounting firm. The Company shall send the financial accounting report to each shareholder within fifteen days after the audit. The Company's appointment or dismissal of the accounting firm undertaking the company auditing business shall be decided by the Board of Shareholders.

Chapter 8 Supplementary Provisions

Article 28 The registration issues of the Company shall be subject to the approval of the Company registration authority.

Article 29 The Articles of Association shall be in triplicate, with one copy submitted to the Company registration authority.

Schedule: Register of Shareholders of Changzhou Merrygold Machinery & Electronic Co., Ltd

Name or title of the shareholder	ID No.	Subscribed contribution amount (Ten Thousand Yuan)	Payment by installments		
			Time limit for contribution	Contribution amount	Contribution way
Zhang Yi	320404197303210421	500	July 26, 2036	500	Currency

Signature page of legal representative of Changzhou Merrygold Machinery & Electronic Co., Ltd

Signature of the legal representative: Zhang Yi (signature)

Changzhou Merrygold Machinery & Electronic Co., Ltd (seal)

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Date: September18, 2020