

Wuxi Autowell Technology Co., Ltd.

Action Plan for Improving Quality, Efficiency, and Shareholder Returns in 2024

We at Wuxi Autowell Technology Co., Ltd.(hereinafter referred to as

protect the interests of all shareholders, keep the stock price stable, and strengthen our corporate image on the capital market. With full confidence in our prospects and corporate value, we developed the Action Plan for Improving Quality, Efficiency, and Shareholder Returns, which was reviewed and approved at the 50th meeting of the Third Board of Directors on March 25, 2024. Below are the main measures to be taken.

I. Emphasize investor returns and distribute cash dividends to share benefits with shareholders

As of December 31, 2023, the Company had distributed total cash dividends of RMB502 million and implemented two share repurchase programs with a combined amount of RMB219 million. The total amount of cash dividends and share repurchases is RMB721 million, of which RMB502 million is attributable to shareholders of the listed company.

In 2024, the Company will continue to increase R&D investment and give full play to the role of existing laboratories to strengthen collaboration between industries, universities, and research institutes. We will continue to steer plenty resources toward new product development, improve our overall R&D strength and layout, and beef up our core competitiveness.

In 2024, the Company will further improve our R&D system and the incentive mechanism for the R&D team. R&D personnel are the pillar to R&D and innovation. The Company will adopt various ways such as equity incentives, competitive compensation, and innovative business co-investment to reward R&D personnel with outstanding contributions in R&D, industrialization of R&D outcomes, and other aspects, so as to share benefits with the R&D team and inspire them to reach their full potential for innovation and keep them motivated for work. In this way, we hope to achieve a win-development and employee gains.

2. Step up efforts to expand into global markets, strengthen overseas capacity building and R&D cooperation, and provide quality products and services for global customers

In 2023, the Company sold to over 40 countries and regions, providing quality products and services for more than 600 production bases around the world. Among them, the ultra-high-speed tandem welding equipment, one of our core products, is a key production apparatus for PV modules. The Company sells the equipment to more than 40 countries and commands a market share of over 60%, becoming a competitive producer and a major exporter of PV equipment.

As our products grow in influence in overseas markets, the Company is moving faster to expand our global presence.

In 2024, upholding the customer-centered concept, the Company will actively serve and strengthen overseas marketing efforts and services, thus enhancing the global competitiveness of our products, especially in the fields of PV and lithium-ion battery equipment. At the same time, we will accelerate the construction of overseas production bases and service centers to provide quality and efficient products and services for global customers.

we will enhance the synergy along the equipment manufacturing industry chain, and apply our technology to a broader range of product categories and

increase our market share in the equipment manufacturing segment.

III. Accelerate the implementation of proceeds investment projects to achieve expected benefits, with a focus on the core business of high-end equipment manufacturing

In May 2020, the Company was listed on the Shanghai Stock Exchange Science and Technology Innovation Board, raising a total of RMB574 million. In August 2022, the Company issued shares to pre-determined investors, raising RMB530 million. In August 2023, the Company issued convertible corporate bonds worth RMB1.14 billion to non-speci

V. Optimize the responsibility, and push forward high-quality development

The Company has formed a corporate governance structure according to the listing rules of the SSE Science and Technology Innovation Board, the general committee, the Board of Directors, the Board of Supervisors, and the management. It has put in place a mechanism of coordination and checks and balances among the organ of authority, decision-making organ, supervisory organ, and the management, with well-defined rights and responsibilities and compliant operations. The internal control system has been continuously improved to exercise controls over the rights and obligations of the management and prevent them from abusing its role to infringe on the rights and interests of the Company and minority investors.

As of December 31, 2023, Mr. Ge Zhiyong and Mr. Li Wen, the actual controllers of the Company, together held 100,854,332 shares, accounting for 44.86 percent of the total share capital of the Company. Mr. Ge Zhiyong serves as General Manager of the Company and are in alignment with those of shareholders.

In 2024, the Company will further improve its governance structure and see to it that shareholders can fully exercise their rights and the Board of Directors and special committees, the Board of Supervisors, independent directors, and the management can work in due

negligence. The Company will provide necessary conditions for independent directors to perform their duties, including but not limited to independent office spaces and working conditions, necessary information for independent directors to learn about the Company situation, and necessary spaces and information for the meetings of independent directors.

In 2024, the Company will further refine the executive compensation scheme, which consists of basic compensation and performance-based compensation, with the latter higher than the former. Performance-

conditions. We will further strengthen the benefit sharing mechanism between the management and shareholders and enhance the sense of responsibility and performance of -term development of the Company.

prove their ability to perform their duties. The Company will organize the "key few" to participate in statutory training organized by regulatory authorities. The Company will organize the "key few" to study the training resources on the Shanghai Stock Exchange Academy and the training platform of the China Association for Public Companies. The Company will urge all the "key few" to participate in training, and ensure that they attend at least four training sessions in the year.

VI. Improve disclosure quality and engage with investors in various ways

Since it went public, the Company has attached great importance to information disclosure and fulfilled its information disclosure obligations in strict accordance with in the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of

Information Disclosure. The Company releases periodic reports, major contracts, and holding announcements in a true, accurate, complete, and timely manner to keep investors informed

disclosure performance during the evaluation of information disclosure work of listed companies conducted by the Shanghai Stock Exchange from 2022 to 2023. The Company won the 2022 2023 Tianma Award for Investor Relations of Chinese Listed Companies and the Outstanding Board Secretary Award for Chinese Listed Companies.

In 2023, the Company placed great emphasis on investor relations management. All senior executives including the Chairman and General Manager participated in the six periodic report briefings and communicated with investors. The Company invited investors to attend product launch events and visit production bases and product exhibitions, so that investors

its operations, R&D, products, and other information to investors through its official website, WeChat Official Account, WeChat Channels, and other methods, so that investors can get a better understanding of the Company.

In 2024, the Company will continue to disclose information in strict accordance with applicable laws and regulations. On this basis, we will further improve the readability and

effectiveness of the content disclosed and give a better interpretation on periodic reports in more intuitive forms such as image, animated short, and video. We will strengthen the management of inside information and ensure that investors have equal access to information. At the same time, we will release the

In 2024, we will hold at least four Investor Open House events to engage with investors face to face. The company will hold no less than six online meetings with investors through such platforms as the SSE Roadshow Center and Comein Finance. All senior executives including the Chairman and General Manager will attend performance briefings and communicate with
We will organize
no less than 50 investor communication events including conference calls or offline events. In addition, we will take the initiative to solicit opinions and suggestions from investors regarding information disclosure, investor communication, and other matters on an ad hoc
ake measures to improve the quality
and transparency of information disclosure.

VII. Other matters

We will evaluate the specific measures set forth in the Action Plan Improving Quality, Efficiency, and Shareholder Returns on an ongoing basis, and fulfill our disclosure obligations in a timely manner. We will continue to focus on core businesses and strain to enhance our core competitiveness, profitability, and risk management capabilities. By delivering good performance and sound corporate governance, we will fulfill our responsibilities and obligations as a listed company and give back to investors. We will make
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development of the capital market.

This document contains forward-development strategies that do not constitute any substantive commitment of the Company to investors. Such statements involve risks and uncertainties, and investors are advised to exercise caution.