

Canaan Avalon INC.

CORPORATE GOVERNANCE GUIDELINES

Adopted on Oct 4, 2019 and effective conditional and immediately upon commencement of the trading (the "Listing") of the American depositary shares of Canaan Avalon Inc. (the "Company")

representing the Company's Class A ordinary shares on the NASDAQ Global Market ("NASDAQ").

The Board of Directors (the "Board") of the Company has adopted the following Corporate Governance Guidelines (the "Guidelines") to assist the Board in the exercise of its

responsibilities and to serve the interests of the Company and its shareholders. These Guidelines

should be interpreted in the context of all applicable laws, rules of THE NASDAQ and the Company's Memorandum and Articles of Association, as amended and restated from time to time (the "Memorandum and Articles of Association"), and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board's standing committees and their chairs and are intended to serve as a framework within which the Board

may conduct its business and not as a set of legally binding obligations. The Guidelines are

subject to modification from time to time by the Board as the Board may deem appropriate and

in the best interests of the Company and its shareholders or as required by applicable laws and regulations.

These Guidelines are available to any shareholder who otherwise requests a copy. The Company's Annual Report on Form 20-F filed with the United States Securities and Exchange Commission (the "SEC") will state the foregoing.

The Board

Size of the Board

The Company's Memorandum and Articles of Association provides that the number of directors shall be at least five (5). The Board will periodically review the size of the Board, and

determine the size that is most effective in relation to future operations.

Independence of the Board

The Board shall review annually as to whether a director qualifies as an independent director ("Independent Director") under the listing standards of the NASDAQ based on the relationships that each director has with the Company (