**STAR SPORTS MEDICINE CO., LTD.**

**北京天星醫療股份有限公司**

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

# Terms of Reference of the Strategy Committee under the Board of Directors

**STAR SPORTS MEDICINE CO., LTD.**

**Terms of Reference of the Strategy Committee under the Board of Directors**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** To further adapt to the strategic development needs of Star Sports Medicine Co., Ltd. (hereinafter referred to as the "Company"), enhance its strategic decision-making process, improve the soundness of the Board of Directors' decisions, and continuously strengthen the Company's core competitiveness, these Terms of Reference are formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and other relevant laws, administrative regulations, departmental rules and normative documents, the Articles of Association of Star Sports Medicine Co., Ltd. (hereinafter referred to as the "Articles of Association") and the Rules of Procedure for Meetings of the Board of Directors of Star Sports Medicine Co., Ltd., and with reference to the actual conditions of the Company.

**Article 2** As a specialized committee under the Board, the Strategy Committee is accountable to the Board and reports its work to the Board.

**Article 3** The Strategy Committee is primarily responsible for studying the Company's long-term development strategy and major investment decisions.

**Article 4** For the purposes of these Terms of Reference, "directors" refer to those directors who receive compensation from the Company; "senior management personnel" refers to the general manager, deputy general managers, chief financial officer, secretary of the Board, and other senior management personnel recognized by the Board, all of whom are appointed by the Board.

## CHAPTER 2 COMPOSITION OF THE STRATEGY COMMITTEE

**Article 5** The Strategy Committee shall comprise three directors of the Company, including one independent non-executive director.

**Article 6** Members of the Strategy Committee shall be nominated by the chairman of the Board, or by more than half of the independent non-executive directors, or by more than one-third of all directors, and shall be elected by the Board and approved by a majority of all directors.

**Article 7** The Strategy Committee shall have one chairman (convener), a position held by the chairman of the Board, who shall be responsible for presiding over the work of the Strategy Committee.

**Article 8** The term of office of members of the Strategy Committee shall be the same as that of the directors. Members may be re-elected for consecutive terms upon the expiration of their terms. If, during the term, a member ceases to serve as a director of the Company, or a member who is required to be an independent non-executive director no longer satisfies the independence requirements stipulated in the Articles of Association, he/she shall automatically cease to be a Committee member, and the Board of Directors shall fill the vacancy in accordance with Articles 5 to 7 above.

**Article 9** The Strategy Committee shall set up a working group as its daily administrative body, which is specifically responsible for providing information concerning the Company's operation and relevant materials of assessed persons, arranging meetings of the Strategy Committee, and implementing relevant resolutions of the Strategy Committee. Members of the working group are not required to be members of the Strategy Committee.

## CHAPTER 3 DUTIES AND POWERS

**Article 10** The main duties of the Strategy Committee are as follows:

(I) studying the Company's long-term development strategy and plans, and making recommendations thereon;

(II) studying major investment and financing proposals that require approval by the Board under the Articles of Association, and making recommendations thereon;

(III) studying major capital operation and asset management projects that require approval by the Board under the Articles of Association, and making recommendations thereon;

(IV) studying other major matters that affect the Company's development, and making recommendations thereon;

(V) monitoring the implementation of the foregoing matters;

(VI) other matters as authorized by the Board.

**Article 11** The Strategy Committee has the following powers and authorities:

(I) the right to require the Company's management to report to the Committee on work related to investment projects;

(II) when deemed necessary, the right to engage external consulting firms or professional experts to provide specialized advice, issue consultancy reports, etc., with relevant expenses to be borne by the Company;

(III) the right to obtain feasibility study reports, material contracts and agreements for major projects of the Company, as well as other relevant materials that the Committee deems necessary.

**Article 12** The Strategy Committee shall be accountable to the Board, and the Committee's proposals shall be submitted to the Board for review and decision.

## CHAPTER 4 DECISION-MAKING PROCEDURES

**Article 13** The Strategy and Investment Review Working Group shall be responsible for the preparatory work for the review and decision-making of the Strategy Committee.

(I) the relevant departments of the Company or its holding (share-participating) subsidiaries shall be responsible for submitting materials regarding major investments, financings, capital operations, and asset management projects, including expressions of intent, preliminary feasibility study reports, and basic information on cooperation proposals;

(II) the Strategy and Investment Review Working Group shall conduct a preliminary review, issue a project initiation proposal, and file it with the Strategy Committee for record;

(III) the relevant departments of the Company or its holding (share-participating) subsidiaries shall be responsible for conducting negotiations on agreements, contracts, articles of association, etc., preparing feasibility study reports and other statutory documents, and submitting them to the Strategy and Investment Review Working Group;

(IV) the Strategy and Investment Review Working Group shall perform a formal review, issue a written opinion, and submit a formal proposal to the Strategy Committee.

**Article 14** The Strategy Committee shall convene relevant review meetings for discussion based on the proposals submitted by the Strategy and Investment Review Working Group, submit the discussion results to the Board, and simultaneously provide feedback to the Strategy and Investment Review Working Group.

**Article 15** If necessary, the Strategy Committee may engage intermediary agencies to provide professional advice for its decision-making, and the relevant reasonable expenses shall be borne by the Company.

## CHAPTER 5 RULES OF PROCEDURE

**Article 16** Meetings of the Strategy Committee shall include regular meetings and extraordinary meetings. Regular meetings shall be held at least once a year and all Committee members shall be notified at least five days prior to the meeting. Extraordinary meetings shall be notified to all Committee members at least three days prior to the meeting. With the unanimous consent of all Committee members, the above notice periods may be waived.

Notice may be given by hand delivery, facsimile, letter, email, telephone, or other means.

**Article 17** Meetings of the Strategy Committee shall be convened and presided over by the chairman. Where the chairman is unable or fails to perform his/her duties, he/she shall designate another Committee member to perform such duties on his/her behalf. Where the chairman (convener) fails to perform his/her duties and does not designate another Committee member to act on his/her behalf, the remaining two Committee members may, through consultation, elect one among them to perform the duties of the chairman (convener) of the Strategy Committee.

**Article 18** The notice of a meeting shall at least include the following:

(I) time, venue and form of the meeting;

(II) duration of the meeting;

(III) agenda items to be discussed at the meeting;

(IV) contact person of the meeting and the way of contact;

(V) date of notice of the meeting.

For notifications made by telephone, the notice shall at least include items (I) and (II) above, written records shall be maintained, and meeting documents shall be distributed to all Committee members before the meeting.

**Article 19** Meetings of the Strategy Committee may be held in person or by means of communication. Communication methods include, but are not limited to, teleconferencing, videoconferencing, and written resolution.

**Article 20** Meetings of the Strategy Committee should be held only with the presence of more than two-thirds of Committee members. Each Committee member should be entitled to one vote. The resolutions made at the meeting should be approved by more than half of all Committee members. If any member of the Strategy Committee has an interest in the matters discussed at the meeting, such member shall abstain from deliberation and voting. If, as a result, the number of voting members is less than two, the Strategy Committee shall submit the matter to the Board for consideration.

**Article 21** Members of the Strategy Committee should attend meetings in person and express clear opinions on the matters under consideration. If a Committee member is unable to attend a meeting in person for any reason, they should review the meeting materials in advance, form a clear opinion, and appoint another Committee member in writing to attend and express opinions on their behalf. Committee members shall not provide or accept authorizations that do not specify a voting intention, that grant full power of attorney, or that have an unclear scope of authorization.

**Article 22** A Committee member who authorizes another member to attend the meeting and exercise the voting right on their behalf shall submit to the presider of the meeting a power of attorney, which shall be submitted to the presider of the meeting no later than the commencement of the voting.

**Article 23** The power of attorney shall be signed by both the principal and the attorney and shall include at least the following:

(I) name of the principal;

(II) name of the attorney;

(III) the matters to be authorized;

(IV) instructions on how to exercise voting rights on the agenda items (in favor, against, abstain);

(V) the duration of the proxy authorization;

(VI) the date of signing of the power of attorney.

**Article 24** Any member of the Strategy Committee who does not attend the meeting in person or by proxy shall be deemed as having not attended the relevant meeting. Any Committee member who does not attend the meeting for two consecutive times shall be deemed as unable to perform their duties appropriately, and the Board may revoke their position as a member.

**Article 25** Voting at meetings of the Strategy Committee shall be by show of hands or ballot.

**Article 26** When a meeting of the Strategy Committee is convened by way of written resolution, the written resolution shall be delivered to all Committee members by means of fax, email, express courier, or personal delivery. Committee members shall vote on the resolution and return the original to the Company for record-keeping. If the number of Committee members who sign in agreement meets the requirements stipulated in these Terms of Reference, the resolution shall become a resolution of the Committee.

**Article 27** When necessary, other directors and senior management personnel of the Company may also be invited to attend the meetings of the Strategy Committee as non-voting representatives.

**Article 28** The procedures for convening meetings of the Strategy Committee, the voting methods and the remuneration policies and distribution plans approved at the meetings shall comply with the relevant laws, administrative regulations, other normative documents, the Hong Kong Listing Rules, the Articles of Association, and these Terms of Reference.

**Article 29** There should be minutes for meetings of the Strategy Committee. The draft and final versions of the minutes should be circulated to all Committee members present within a reasonable time after the meeting. The draft is for comments, while the final version serves as a record. All Committee members present shall sign the minutes. If any Committee member in attendance has objections to the resolutions, such objections should be noted in the meeting minutes. The meeting minutes shall be kept by the secretary of the Board and shall be preserved for a period of not less than 10 years during the continuance of the Company.

**Article 30** The meeting minutes shall include at least the following:

(I) the date, venue, form of the meeting, and the name of the convener;

(II) the names of the persons in attendance at the meeting, and those attending on behalf of others shall be particularly noted;

(III) the voting method for each resolution or proposal, and the voting results stating the number of votes in favor, against, or abstained;

(IV) other matters that should be described and recorded in the meeting minutes.

**Article 31** Resolutions and voting results adopted at a meeting of the Strategy Committee shall be reported by the Committee members or the secretary of the Board to the Board no later than the day following the effective date of such resolutions (unless such reporting is prohibited by legal or regulatory restrictions).

**Article 32** All Committee members attending the meeting and those present as non-voting representatives are obliged to keep confidential all matters discussed at the meeting and must not disclose any related information without authorization.

## CHAPTER 6 ANNUAL SHAREHOLDERS' MEETING

**Article 33** The chairman of the Strategy Committee must attend the Company's annual shareholders' meeting and be prepared to answer any questions raised by shareholders regarding the responsibilities of the Strategy Committee.

**Article 34** If the chairman of the Committee is unable to attend the Company's annual shareholders' meeting, he/she must arrange for another member of the Strategy Committee to attend the meeting. The person shall be prepared to answer shareholders' questions regarding the Strategy Committee's work at the annual shareholders' meeting.

## CHAPTER 7 SUPPLEMENTARY PROVISIONS

**Article 35** Unless otherwise specified, the terms used in these Terms of Reference shall have the same meanings as those in the Articles of Association.

**Article 36** The phrases "more than" and "within" as mentioned in these Terms of Reference are inclusive, while "exceeding", "beyond", "less than" and "more than" are exclusive.

**Article 37** For matters not covered by these Terms of Reference, the Company shall comply with the relevant laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed, as well as the Articles of Association, resolutions of the shareholders' meetings, Board resolutions, or other relevant rules and regulations. If these Terms of Reference conflict with the relevant laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the provisions of the relevant laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall prevail.

**Article 38** These Terms of Reference shall be formulated, amended and interpreted by the Board.

**Article 39** These Terms of Reference, upon consideration and approval at the shareholders' meeting, will come into effect on the date when the overseas listed shares in the initial public offering of the Company are listed and traded on the Stock Exchange of Hong Kong Limited. The original Implementation Rules for the Strategy Committee under the Board of the Company shall become null and void automatically on the date when these Terms of Reference come into effect.

STAR SPORTS MEDICINE CO., LTD.