MicroTech Medical (Hangzhou) Co., Ltd.
Terms of Reference of the Strategy Committee under the Board of Directors

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to fulfill the strategic development needs of MicroTech Medical (Hangzhou) Co., Ltd. (hereinafter referred to as the "**Company**"), so as to enhance the Company's core competitiveness, determine the Company's development plan, improve the investment decision-making process, strengthen scientific decision-making and improve the effectiveness and quality of major investment decision-making, in accordance with the Company Law of the People's Republic of China, the Articles of Association of MicroTech Medical (Hangzhou) Co., Ltd. (hereinafter referred to as the "**Articles of Association**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") as well as other relevant provisions, the Company has set up a Strategy Committee under the Board and formulated these rules.

Article 2 The Strategy Committee of the Board is a specialized working body set up under the Board. It is mainly responsible for researching and making recommendations to the Board on the Company's long-term development strategy and major investment decision-making.

CHAPTER 2 COMPOSITION

Article 3 The Strategy Committee shall be composed of three to seven directors.

Article 4 The members of the Strategy Committee (hereinafter referred to as the "**Members**") shall be nominated by the chairman of the Board, more than half of the independent non-executive directors or more than one-third of all directors and shall be elected by the Board.

Article 5 The Strategy Committee shall have one chairman, who shall be the chairman of the Board.

Article 6 The term of office of the Strategy Committee shall be identical to that of the Board. Members may be re-elected upon the expiration of the current term of office. If any Member ceases to be a director of the Company during his/her term of office, his/her membership in the Committee shall be lapsed automatically. Members may apply to the Board for resignation in writing prior to expiry of the term of office. The Board shall, after such Members lose their office or the resignation of such Members has been approved, fill the vacancy in accordance with relevant provisions of Article 3 to Article 5 above.

Article 7 As the daily working body of the Strategy Committee, a Strategy Committee Working Group or Investment Review Group has been set up by the Strategy Committee with the general manager of the Company serving as the head. The members of the Working Group shall not necessarily be Members, and the members of the Working Group are formed temporarily according to the actual work required. The Working Group is responsible for information collection and research, project feasibility analysis, investment and financing plan formulation and other daily work of the Committee.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 8 The main duties and authorities of the Strategy Committee are:

(I) Conducting research and advising on long-term development strategy plan of the Company;

(II) Conducting research and advising on major investment, financing, major capital operation and asset management projects that are subject to the approval of the Board and the shareholders' general meeting in accordance with the requirements of the Articles of Association;

(III) Conducting research and advising on any other significant events that affect the development of the Company;

(IV) Inspecting the implementation of the above items approved by the Board and the shareholders' general meeting; and

(V) Other matters relating to strategic investment specified by laws, regulations, normative documents, Hong Kong Listing Rules, the securities regulatory authority in Hong Kong, Articles of Association, as well as matters provided in rules of procedure for the Board or authorized by the Board.

Article 9 The Strategy Committee is accountable to the Board and shall submit its proposals to the Board for consideration and decision.

CHAPTER 4 WORKING PROCEDURES

Article 10 The Strategy Committee Working Group shall be responsible for the preliminary preparatory work for the decision-making of the committee, and provide related information:

(I) The person in charge of the Company's relevant departments or of the subsidiaries shall report the intention, preliminary feasibility report and basic information of the partners of major investment, financing, capital operation and asset management projects, and the Strategy Committee Working Group shall conduct preliminary examination, issue the project proposal and report it to the Strategy Committee for record;

(II) The relevant departments or the subsidiaries of the Company shall conduct external negotiations on agreements, contracts, feasibility reports, etc. and be responsible for preparing relevant projects or other legal documents for submission to the Strategy Committee Working Group of the Company, which shall evaluate the relevant materials provided, issue written opinions and submit formal proposals to the Strategy Committee.

Article 11 The Strategy Committee shall convene a meeting to discuss the proposal submitted by the Strategy Committee Working Group, the results of which shall be submitted to the Board and fed back to the Working Group.

CHAPTER 5 RULES OF PROCEDURES

Article 12 Meetings of the Strategy Committee shall be convened as requested by the Board or proposed by Members at least twice a year, and notice of such meetings shall be given to all Members five days prior to the meeting. In the event of emergency, a notice may be issued at any time regarding convening of an extraordinary meeting, and the chairman of the Strategy Committee shall make explanation at the meeting. The meeting shall be presided over by the chairman. Where the chairman is unable to attend, he/she may authorize another member of the Committee to preside over the meeting.

Article 13 The meetings may be held on site and in the form of written circular. If a meeting is held on site, telephone, video, etc. may be used to facilitate the members in attending the meeting. Any member who attends the meeting via the abovementioned approaches shall be deemed as having attended the onsite meeting.

Article 14 Meetings of the Strategy Committee may only be convened with the presence of more than two-thirds of its members. Each member shall have one vote. Resolutions of the meeting shall be passed by a majority of all the members of the committee voting in favor.

Article 15 Voting at the meetings of the Strategy Committee shall be conducted by a show of hands or by poll. Where any member cannot sign the resolutions made at a telephone meeting or video meeting in real time, the said member may orally give opinions first and responsively affix the written signature thereof, provided that there is no discrepancy between the opinions expressed by such member in completing the written resolutions and the opinions orally expressed by him/her at the meeting. Voting at a meeting may also be conducted by means of communications.

Article 16 Where any member of the Strategy Committee has any interest in the matters to be deliberated by the Strategy Committee, such member shall abstain from voting on the matters.

Article 17 The senior management have the responsibility to provide enough timely information to the Strategy Committee, so as to help it make informed decisions. The information supplied must be complete and reliable. The Strategy Committee and its members may make further query, and independently contact the senior management when they deem necessary.

Article 18 The leader of the Strategy Committee Working Group may attend meetings of the committee. Where necessary, the directors and senior management of the Company may be invited to attend such meetings.

Article 19 Where necessary, the Strategy Committee may engage intermediate agencies to provide independent and professional advice for its decision-making, the cost of which shall be borne by the Company.

Article 20 The convening procedure of, and voting method and resolutions passed at, meetings of the Strategy Committee shall comply with the requirements of the relevant laws, regulations, Hong Kong Listing Rules, other provisions of the securities regulatory authority in Hong Kong, Articles of Association and these rules.

Article 21 The Strategy Committee shall keep minutes of the meetings. The members present at the meetings shall sign the minutes of the meetings that shall be kept by the secretary to the Board according to the Company's file management system for at least 10 years. The minutes should record in sufficient detail for the matters considered at the meeting and the resolutions passed, including any concerns raised or dissenting views expressed by members of the committee. After conclusion of the meeting, the initial and final meeting minutes shall be sent to all the members in due time, with the initial ones to be commented on by the members and the final ones to be recorded. If any director gives a reasonable notice, the Company shall give the said director access to such minutes within reasonable time.

Article 22 Proposals and voting results adopted at the Strategy Committee meetings shall be reported to the Board in writing, unless such reporting is in conflict with the Strategy Committee's general responsibilities or cannot be made according to laws, regulations or regulatory requirements (e.g., disclosure is restricted due to regulatory requirements).

Article 23 Members present at the meeting shall be obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 24 The phrases "more than" and "at least" as referred to herein are inclusive, while "majority" is exclusive.

Article 25 These rules shall take effect as from the date on which they are considered, approved and passed by the Board.

Article 26 Matters not covered herein shall be subject to relevant laws and regulations, Hong Kong Listing Rules, other provisions of the securities regulatory authority in Hong Kong and relevant provisions of the Articles of Association. If relevant provisions of these rules conflict with relevant laws and regulations, Hong Kong Listing Rules, other provisions of the securities regulatory authority in Hong Kong and the Articles of Association promulgated or amended thereafter, relevant laws and regulations, Hong Kong Listing Rules, other provisions of the securities regulatory authority in Hong Kong and the prevailing or amended Articles of Association shall apply.

Article 27 The authority of formulation and interpretation of these rules shall be vested in the Board.

(If there is any inconsistency between the English and Chinese versions of this document, the Chinese version shall prevail.)