

# **BEIJING CHUNLIZHENGDA MEDICAL INSTRUMENTS CO., LTD.\***

## **Rules of Procedures of the Remuneration and Assessment Committee of the Board of Directors**

### **CHAPTER 1 GENERAL PROVISIONS**

- Article 1** In order to establish a comprehensive remuneration management system of Beijing Chunlizhengda Medical Instruments Co., Ltd.\* (hereinafter referred to as the “**Company**”) and improve the corporate governance of the Company, the Company has established the Remuneration and Assessment Committee (hereinafter referred to as the “**Committee**”) of the board of directors (the “**Board**”) and the rules of procedures herein is prepared in accordance with relevant provisions of the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association of Beijing Chunlizhengda Medical Instruments Co., Ltd.\* (hereinafter referred to as the “**Articles of Association**”) and other laws, regulations and regulative documents.
- Article 2** The Committee is a specialized working organization established by the Board in accordance with the Articles of Association. It is responsible for the formulation of standards for appraising and conducting evaluation of directors and senior management, and the formulation and review of the remuneration decision mechanisms, decision-making processes, payment and cessation of payment recovery arrangements, and other remuneration policy and proposal for directors and senior management. The Committee is accountable to the Board.

### **CHAPTER 2 COMPOSITION**

- Article 3** The Committee shall comprise at least three directors, and more than half of whom shall be independent non-executive directors.
- Article 4** Members of the Committee shall be elected by the Board, and any removal of members of the Committee shall be determined by the Board.
- Article 5** Members of the Committee shall meet the qualifications required by the relevant PRC laws, regulations, and the securities regulatory authorities in Hong Kong.

**Article 6**

The Committee shall have a convener, who shall be an independent non-executive director elected by the Committee's members or directly appointed by the Board, and shall be in charge of the work of the Committee.

The convener shall have the following primary functions and powers:

- (1) to convene meetings of the Remuneration and Assessment Committee;
- (2) to preside over meetings of the Remuneration and Assessment Committee;
- (3) to sign important documents of the Remuneration and Assessment Committee;
- (4) to report work to the Board of the Company;
- (5) to perform other duties as authorized by the Board.

**Article 7**

The term of office of the Committee shall be the same as that of the Board. A member of the Committee may serve consecutive terms if re-elected upon the expiry of his/her term of office. If any member ceases to meet the qualification requirements for membership of the Committee during his/her term of office, he/she shall automatically cease to be a member of the Committee. The vacancy shall be filled up by the Board in accordance with Article 3 to Article 6 above. The term of office of the successor member shall expire at the end of the current Committee's term. Adjustments to members of the Committee may be made during their term of office upon the proposal of the chairman of the Board. The Board of the Company shall regularly assess the independence and performance of the Remuneration and Assessment Committee's members and may replace any member who is unsuitable to continue serving when necessary.

**Article 8**

The main duties and authorities of the members are as follows:

- (1) to attend the meeting of the Committee in a timely manner, to express opinions on matters discussed thereat and to exercise his/her voting rights in accordance with these rules of procedures;
- (2) to fully understand the responsibilities of the Committee and his/her responsibilities as a member, to be familiar with the business management, operation and development of the Company that is relevant to his/her duties, and to ensure he/she is capable of performing duties;

- (3) to devote sufficient time and energy to perform their duties;
- (4) to perform other duties as required by these rules of procedures.

**Article 9** The Remuneration and Assessment Committee has a working group, members of which are staff from the Board office of the Company. Members of the working group could attend the meetings of the Committee, and are responsible for daily liaison for work issues and organization of meetings.

**Article 10** The secretary to the Board of the Company shall act as the Committee secretary. The secretary to the Board shall attend the meetings of the Committee. In the absence of the secretary to the Board, members present at the meeting shall select a member of the working group to act as the Committee secretary.

### **CHAPTER 3 POWERS AND DUTIES**

**Article 11** The principle duties of the Committee are as follows: evaluating the remuneration policies and assessment criteria for the directors and senior management, conducting such assessment and providing advice. It shall include at least:

- (1) to set the overall remuneration policy and structure for the directors and senior management of the Company and to propose to the Board in respect of establishing remuneration policy through a formal and transparent procedure;
- (2) to review and approve the remuneration proposals for the management with reference to the corporate goals and objectives made by the Board;
- (3) to make recommendations to the Board on the remuneration packages (include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment) of certain executive directors and senior management;
- (4) to make recommendations to the Board on the remuneration of non-executive directors;

- (5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the company;
- (6) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (7) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (8) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;
- (9) to review and/or approve the Board's or amendment of equity incentive schemes and employee stock ownership plans, and the granting of rights to incentive recipients and the achievement of conditions for the exercise of such rights by incentive recipients; and
- (10) to review and/or approve the arrangement of stock ownership plans for directors and senior management in the event of a proposed spin-off of a subsidiary.

**Article 12** The Committee shall answer to the Board, and shall submit proposals to the Board for consideration and approval. The Board has the right to veto the compensation plans or proposals.

#### **CHAPTER 4 DECISION-MAKING PROCEDURES**

**Article 13** In accordance with the provisions of relevant laws and regulations, and the Articles of Association, the Committee shall study the remuneration plans, performance appraisal system and incentive scheme for the directors and senior management of the Company, with reference to the Company's actual situation. Any resolution made in this regard shall be filed and submitted to the Board for approval and shall be implemented accordingly.

## **CHAPTER 5 RULES OF PROCEDURES**

**Article 14** In the case where one of the following circumstances occurs, the convener or the working group of the Committee shall issue a notice for convening a meeting of the Committee within five days from the date that the matter occurred:

- (1) proposals raised by the Board;
- (2) proposals raised by the chairman of the Board;
- (3) proposals raised by the convener;
- (4) proposals raised by more than two members of the Committee.

The working group of the Committee shall act in accordance with the instructions from the convener of the Committee and deliver the notice of the meeting and relevant information of the meeting to all members of the Committee five days before the meeting. However, the aforementioned notification period may be exempted upon unanimous consent of all members.

The meeting shall be presided over by the convener. In the event that the convener cannot attend the meeting, a member may be appointed to preside over the meeting.

**Article 15** The meeting notice shall be served by courier, facsimile, mail (including email) or other ways specified in the Articles of Association.

**Article 16** Notice of the meeting shall include:

- (1) the place, date, time and manner of convening the meeting;
- (2) the agenda of the meeting and the matters to be discussed;
- (3) the date of dispatch of the notice.

- Article 17** Members of the Committee shall attend the meetings thereof in person. Where a member is unable to attend the meeting in person for any reason, he/she may submit an instrument of proxy signed by the member, authorizing another member of the Committee to attend and express opinions on his/her behalf. The instrument of proxy shall clearly specify the scope and duration of the mandate.
- If a Committee member fails to attend two consecutive committee meetings in person, neither delegates to another Committee member nor submits written opinions before the meetings, such member shall be deemed incapable of performing committee duties, and the Board may adjust the Committee membership according to the procedures as set out in these rules.
- Article 18** Any meeting of the Committee shall not be held unless over two thirds of the members attend. Each member shall have one vote. Resolutions made at the meeting must be adopted by more than half of all members.
- Article 19** Meetings of the Committee shall be convened as on-site meetings. If a member participates in the onsite meeting through video, telephone or similar communication equipment, as long as he/she can make himself heard by the other members at the meeting and can communicate with them, all participating members shall be deemed to be present at the meeting in person.
- Article 20** Voting at on-site meetings of the Committee may be conducted by a show of hands or poll. If a member attends an on-site meeting by means of video conference, telephone conference or similar communication device, his/her orally expressed voting through such video, telephone conference or similar communication device shall be deemed valid, but written signature formalities shall be completed and the original voting document sent back to the Company as soon as possible after the meeting. Oral voting and written signature have equal validity, but the subsequent written vote must be consistent with the oral vote expressed at the meeting. If such written signature is inconsistent with the oral vote, the oral vote shall prevail.
- Article 21** On the condition of ensuring that members can fully express their opinions, the meetings of the Committee can be convened by way of voting via communication device and transfer of resolutions for signing instead of on-site meeting. The resolutions voted via communication device shall be served to each member of the Committee through one of methods like service by special person, mail, fax, and email.

- Article 22** The convening procedure, voting method and passing of resolutions of a meeting of the Committee shall comply with the relevant laws, regulations, the Articles of Association and these rules.
- Article 23** When the Board or the Remuneration and Assessment Committee assesses an individual director or discusses his/her remuneration, such director shall recuse himself/herself.
- Article 24** Every meeting of the Committee shall have minutes recorded, and special staff shall be designated by the working group as recorder. All the members and the recorder present at the meeting shall sign the minutes. The minutes shall be properly saved as important documents of the Company.
- Article 25** The resolutions passed and voting results at meetings of the Committee shall be submitted to the Board of the Company in written form.

## **CHAPTER 6 COORDINATION AND COMMUNICATION**

- Article 26** In case of the Committee's significant or special matters requiring the consideration of the Board during the adjournment, the Committee can submit written report to the Board through the secretary of the Board, and can suggest the chairman convening Board meeting for discussion.
- Article 27** The written report submitted to the Board by the Committee shall be signed and released by the convener or the member authorized by the convener, and shall be submitted to the Board through the secretary of the Board.
- Article 28** Any written report submitted by senior executives to the Committee shall be signed and released by the chairman of the Board or senior executives authorized by the chairman of the Board and responsible of relevant matters, and shall be submitted to the Committee through the secretary of the Board.

## **CHAPTER 7 SUPPLEMENTARY PROVISIONS**

- Article 29** Save otherwise specified, the terms used in these rules of procedures shall have the same meanings as identical terms in the Articles of Association.
- Article 30** These rules of procedures shall come into effect after being considering and approving by the Board.

**Article 31** For any matters not covered by these rules of procedures or contravening the related national laws and regulations, normative documents, the relevant requirements of The Stock Exchange of Hong Kong Limited and the provisions of the Articles of Association, the related national laws and regulations, normative documents, the relevant requirements of The Stock Exchange of Hong Kong Limited and the provisions of the Articles of Association shall prevail.

**Article 32** These rules of procedures shall be subject to the interpretation of the Board.

Board of Directors  
**Beijing Chunlizhengda Medical Instruments Co., Ltd.\***  
December 2025

\* *For identification purpose only*