

Cofoe Medical Technology Co., Ltd.
Rules of Procedure of the Audit Committee under the Board of Directors
(Applicable upon the offering and listing of H shares)

Chapter 1 General Provisions

Article 1 In order to strengthen the decision-making function of the board of directors (the “Board”) of Cofoe Medical Technology Co., Ltd. (the “Company”), and achieve effective supervision over the Company’s financial revenues and expenditures and various business activities, the Company has established an audit committee under the Board (the “Audit Committee”) as a specialized body responsible for the communication, supervision and verification of internal and external audits of the Company.

Article 2 To ensure the Audit Committee to operate in a standard and efficient manner, these Rules of Procedure are formulated by the Board in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association, and other relevant laws, regulations, normative documents, and the securities regulatory rules of the place where the shares of the Company are listed.

Article 3 Resolutions made by the Audit Committee shall comply with requirements of the Articles of Association, these Rules of Procedure and other relevant laws, regulations, and normative documents.

Article 4 The Audit Committee is a specialized working body of the Board of the Company. It is accountable to and reports to the Board, performs its duties within the scope of responsibilities stipulated in the Articles of Association and these Rules of Procedure, and operates independently, free from interference by other departments of the Company.

Chapter 2 Composition

Article 5 The Audit Committee shall comprise three directors, who shall not be senior management personnel of the Company. Among them, two shall be independent directors, and at least one independent director shall be a professional with accounting or financial expertise as required by the securities regulatory rules of the place where the shares of the Company are listed. Employee representatives among the members of the Board may serve as members of the Audit Committee.

The “independent director” in these Rules of Procedure has the same meaning as “independent non-executive director” under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Article 6 The members of the Audit Committee shall be nominated by the chairman of the Board, more than half of the independent directors, or more than one-third of all directors, and shall be elected by the Board.

The Audit Committee shall have one convener, who shall be an independent director with accounting or financial management expertise as required by the securities regulatory rules of the place where the shares of the Company are listed. The convener of the Audit Committee shall be elected and recommended by the Committee and submitted to the Board for approval.

The convener of the Audit Committee shall be responsible for convening and presiding over meetings of the Audit Committee. Where the convener of the Committee is unable or fails to perform his or her duties, he or she shall appoint another member to exercise such powers on his or her behalf. If the convener of the Committee neither performs his or her duties nor appoints another member to act on his or her behalf, any member may report the relevant circumstances to the Board of the Company, and the Board shall appoint a member to perform the duties of the convener of the Audit Committee.

Article 7 The term of office of members of the Audit Committee shall be the same tenure as that of directors of the same session of the Board, and such members may be re-elected and serve consecutive terms. Prior to the expiration of a member's term of office, such member shall not be removed from office without cause unless circumstances that disqualify such member from holding office arise as stipulated by the Company Law, the Articles of Association or these Rules of Procedure. If any member ceases to act as a director of the Company during such term, or a member who should have the status of an independent director ceases to satisfy the independence requirements set forth in the Articles of Association, such member shall automatically forfeit his or her qualification as a member of the Audit Committee.

Article 8 If the number of members of the Audit Committee falls below the required number due to resignation, removal of members, loss of qualification as a member of the Audit Committee, or other reasons, or if there is a lack of a professional with accounting or financial management expertise as required by the securities regulatory rules of the place where the shares of the Company are listed, the Board of the Company shall promptly supplement new candidates. Before the number of members of the Audit Committee satisfies the requirement, the existing members of the Audit Committee shall continue to perform their duties.

Article 9 The provisions of the Company Law and the Articles of Association in relation to the obligations of the directors apply to the members of the Audit Committee.

Article 10 The Securities Investment Center shall be responsible for preparing the materials required for the Audit Committee's discussions and submitting proposals to the Committee.

Chapter 3 Duties and Authorities

Article 11 The Audit Committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal controls. Its primary responsibilities are as follows:

- (I) to supervise and evaluate the external audit work, and to make recommendations on the appointment or replacement of external auditor;
- (II) to supervise and evaluate the internal audit work, and to be responsible for the coordination between internal and external audits;
- (III) to review the financial information of the Company and its disclosure;

- (IV) to oversee and evaluate the internal control of the Company;
- (V) to exercise the functions and powers of the supervisory committee as stipulated under the Company Law;
- (VI) to be responsible for other matters as required by laws and regulations, the securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association and as authorized by the Board.

Article 12 The Audit Committee shall be accountable to the Board, and its proposals shall be submitted to the Board for review. The following matters shall be submitted to the Board for review only upon approval by more than half of all members of the Audit Committee:

- (I) disclosure of financial information in financial and accounting reports and periodic reports, as well as internal control evaluation reports;
- (II) appointment or dismissal of the accounting firm responsible for auditing the listed company;
- (III) appointment or dismissal of the chief financial officer of the listed company;
- (IV) changes in accounting policies or accounting estimates, or corrections of material accounting errors, for reasons other than changes in accounting standards;
- (V) other matters as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, the provisions of the CSRC, and the Articles of Association.

Article 13 The Company shall provide necessary working conditions for the Audit Committee and assign dedicated personnel or a specialized department to handle the routine work of the Audit Committee, including work liaison, meeting organization, material preparation, and file management. When the Audit Committee performs its duties, the Company's management and relevant departments shall cooperate with the Audit Committee. If the Audit Committee discovers any irregularities in the Company's operations, it may conduct an investigation. Any expenses necessary for the Audit Committee to exercise its duties and authorities shall be borne by the Company.

Chapter 4 Working Content and Procedures

Article 14 The Audit Committee shall, in accordance with the law, inspect the Company's finances, and supervise the compliance of the Company's directors and senior management personnel with laws, regulations, the Articles of Association, relevant rules of the Shenzhen Stock Exchange, and their performance of duties for the Company. The Audit Committee may request the directors and senior management personnel to submit reports on the performance of their duties.

The directors and senior management personnel shall truthfully provide relevant information and materials to the Audit Committee and shall not obstruct the Audit Committee in exercising its duties and authorities. If the Audit Committee finds that any director or senior management personnel has violated laws, regulations, relevant rules of the Shenzhen Stock Exchange, or the Articles of Association, it shall notify the Board or report to the general meeting, make timely disclosure, and may also directly report to the regulatory authorities.

Article 15 The Audit Committee shall review the financial and accounting reports of the Company and provide its opinions on the authenticity, accuracy, and completeness of such reports. It shall focus on material accounting and auditing issues within the financial and accounting reports of the Company, specifically on whether there is any fraud, malpractice, or the possibility of material misstatement in relation to the financial and accounting reports, and supervise the rectification of any issues identified in financial and accounting reports.

Article 16 The Audit Committee shall make recommendations to the Board on the appointment or replacement of the external auditor and review the audit fees and engagement contract of the external auditor, and shall not be improperly influenced by the substantial shareholders, actual controllers, directors, or senior management personnel of the Company.

Article 17 The Audit Committee shall urge the external auditor to act with integrity and due diligence, strictly abide by business rules and industry self-discipline norms, strictly implement internal control systems, check and verify the financial and accounting reports of the Company, perform the special care obligations, and prudently give professional opinions.

Article 18 In the process of fulfilling its supervisory duties, the Audit Committee may propose the removal of any director or senior management personnel who violates laws, regulations, the Articles of Association, or resolutions of the general meeting.

Article 19 The Company shall disclose the annual performance of duties of the Audit Committee in the annual report, mainly including the specific performance of its duties and the convening of meetings of the Audit Committee. The Audit Committee shall submit its advice on review to the Board on matters within its scope of duties, and if such advice is not adopted by the Board, the Company shall disclose such matters and fully explain reasons therefor.

Article 20 The Internal Audit Department of the Company is responsible for making preliminary preparations for the decision-making of the Audit Committee and providing relevant written information of the Company as follows:

- (I) the Company's financial reports and other relevant materials;
- (II) work reports of internal and external auditors;
- (III) external audit contracts and related work reports;
- (IV) annual internal audit work plan;
- (V) internal control evaluation reports;
- (VI) the Company's external information disclosure status;
- (VII) audit reports on the Company's major related party transactions, independent financial adviser reports, asset appraisal reports, and other relevant reports;
- (VIII) other relevant matters.

Chapter 5 Convening and Notice of Meetings

Article 21 Meetings of the Audit Committee shall be divided into regular meetings and extraordinary meetings.

Regular meetings shall be held at least once a quarter each year. Extraordinary meetings shall be held upon request by two or more members of the Audit Committee, or when deemed necessary by the convener.

Article 22 Meetings of the Audit Committee may be held either in the form of on-site meetings or through non-on-site communication methods.

Article 23 Notice of a regular meeting of the Audit Committee shall be sent seven days prior to the meeting (exclusive of the day of meeting), and notice of an extraordinary meeting shall be sent five days prior to the meeting (exclusive of the day of meeting).

In urgent circumstances where an extraordinary meeting needs to be convened as soon as possible, the meeting notice may be given at any time by telephone or other oral means, provided that the convener shall explain the circumstances at the meeting.

Article 24 The meeting notice of the Audit Committee shall include at least the following:

- (I) time and venue of the meeting;
- (II) duration of the meeting;
- (III) agenda to be discussed at the meeting;
- (IV) contact person of the meeting and their contact information;
- (V) date of notice of the meeting.

Article 25 The notice of a meeting shall contain a full text of proposals.

Article 26 The meeting notice of the Audit Committee may be delivered to all members by facsimile, WeChat, email, telephone or personal delivery, etc.

When using expedited notification means such as email, WeChat or telephone, if no written objection is received within two days from the date the notice is delivered, the notified person shall be deemed to have received the meeting notice.

Chapter 6 Consideration and Voting Procedures

Article 27 The quorum of the meetings of the Audit Committee shall be two-thirds or more of all its members.

Article 28 A member of the Audit Committee may attend a meeting in person or authorize another member to attend and exercise voting rights on his/her behalf. If a member authorizes another member to attend and vote, they shall submit a power of attorney to the chairperson of the meeting. The power of attorney shall be submitted to the chairperson no later than the voting at the meeting.

Article 29 A member who neither attends a meeting of the Audit Committee in person nor authorizes another member to attend on his/her behalf shall be deemed absent from the meeting.

Should a member fail to attend the meetings of the Audit Committee twice in a row, he/she shall be deemed to be unable to fulfill his/her duties and authorities, and the Board of the Company may revoke his/her membership.

Article 30 Members of the Securities Investment Center may attend meetings of the Audit Committee as non-voting observers. Non-member directors of the Company may also attend meetings of the Audit Committee upon invitation. If the Audit Committee deems it necessary, it may convene other personnel relevant to the proposals to attend the meeting, provide information, or express their opinions; however, the members who are not part of the Audit Committee do not have voting rights on the proposals.

Article 31 The Audit Committee shall vote by way of open ballot at its meetings. On the premise of ensuring members' full expression of opinions, meetings may be conducted via facsimile or telephone, and resolutions may be passed by facsimile, with signatures by the participating members.

Each member of the Audit Committee shall have one vote. Resolutions proposed at the meeting shall be effective upon approval by more than half of all members (including those absent from the meeting).

Article 32 Members attending the meeting should consider the proposal in a serious and responsible manner and fully express their personal opinions. Members are responsible for their personal votes.

Article 33 Proposals and voting results of a meeting of the Audit Committee or any assessment opinion issued regarding the effectiveness of the Company's internal controls shall be submitted in writing to the Board of the Company for review.

Article 34 Where a meeting of the Audit Committee is held in the form of on-site meeting, written minutes of such meeting shall be prepared. The meeting minutes of the Audit Committee shall be true, accurate, and complete, and shall fully reflect the opinions expressed by the attendees on the matters under consideration. The members present at the meeting and the person preparing the minutes shall sign the meeting minutes. Any member present at the meeting has the right to request that an explanatory record of their speech made at the meeting be included in the minutes.

The meeting minutes of the Audit Committee shall be kept as company records by the Securities Investment Department. Such minutes shall be kept for a period of ten years during the existence of the Company.

Article 35 The meeting minutes of the Audit Committee shall at least include the following:

- (I) the date, venue and name of the convener of the meeting;
- (II) the names of the attendees, with special indications for those attending on behalf of others;
- (III) the meeting agenda;

- (IV) the key points of the members' speeches;
- (V) the voting method and poll results for each resolution or proposal (the poll results shall explicitly indicate the number of votes in favor, against or abstaining);
- (VI) other matters that need to be explained and recorded in the meeting minutes.

Article 36 Members of the Audit Committee shall be obligated to keep confidential any relevant information of the Company that comes to their knowledge, until such information has been made public.

Chapter 7 Supplementary Provisions

Article 37 These Rules of Procedure shall take effect upon consideration and approval by the Board of the Company and shall be implemented from the date when overseas-listed H shares issued by the Company in its initial public offering are listed on the Hong Kong Stock Exchange.

Article 38 Matters not covered by these Rules of Procedure shall be handled in accordance with the relevant national laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association. Should any provision of these Rules of Procedure conflict with any national laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed, which are subsequently promulgated, or the Articles of Association as amended, such national laws, administrative regulations, departmental rules, or the Articles of Association shall prevail, and these Rules of Procedure shall be promptly amended and submitted to the Board of the Company for consideration and approval.

Article 39 These Rules of Procedure shall be interpreted and amended by the Board of the Company.