

HANGZHOU TIGERMED CONSULTING CO.,LTD.

INTERNAL AUDIT POLICY

Chapter 1 General Provisions

Rule 1 In order to strengthen the audit and supervision of financial revenue and expenditure as well as economic activities of Hangzhou Tigermed Consulting Co., Ltd. (hereinafter referred to as “the Company”), seriously enforce financial and economic disciplines, reinforce internal control and promote the healthy development of the Company, in accordance with the relevant provisions of *Audit Law of the People’s Republic of China* and *Articles of Association* of the Company, this policy is hereby formulated.

Rule 2 This policy applies to the internal audit of all business processes related to financial reporting and information disclosure matters of the Company's parent company, subsidiaries or companies or entities that are controlled or significantly influenced by the Company.

Rule 3 Internal audit mentioned hereof refers to a kind of activity launched by the Company’s internal audit organization or personnel to evaluate the effectiveness of internal control and risk management, authenticity and integrity of financial information, and efficiency and effect of operating activities of the Company’s parent company, subsidiaries or companies or entities that are controlled or significantly influenced by the Company in accordance with relevant national laws and regulations and provisions of this Policy.

Rule 4 Internal control mentioned hereof refers to a process by which the Board of Directors, the Board of Supervisors, senior management personnel and other relevant personnel of the Company provide reasonable assurance for the realization of the following objectives:

- (I) Abidance by national laws, regulations and rules as well as other relevant provisions;
- (II) Improvement of the efficiency and effectiveness of corporate operations;
- (III) Guarantee of asset safety of the Company;
- (IV) Assurance of authenticity, accuracy, completeness and fairness of information disclosure of the Company.

Rule 5 The Board of Directors of the Company shall take responsibility for the establishment, improvement and effective implementation of the internal control policies. Important internal control policies shall be reviewed and approved by the Board of Directors.

The Board of Directors of the Company and all its members shall ensure the authenticity, accuracy, completeness and integrity of contents of the information disclosure related to internal control.

Rule 6 The Internal Audit Department shall maintain its independence, and shall not be put under the leadership of the Finance Department or co-located with the Finance Department.

Rule 7 The Company's internal organizations, subsidiaries or companies or entities that are controlled or significantly influenced by the Company shall cooperate with the Internal Audit Department in performing its duties according to the law, provide necessary working conditions, and shall not hinder the work of the Internal Audit Department.

Chapter 2 Audit Institutions and Auditors

Rule 8 In accordance with the requirements of improving the corporate governance structure and completing the internal control mechanism, the Audit Committee was established under the Board of Directors of the Company, and the rules of procedure of the audit committee were formulated and disclosed.

The Audit Committee shall be composed entirely of directors, of whom at least half shall be independent directors and shall act as the convener, and at least one of the independent directors shall be an accounting professional.

Rule 9 The Internal Audit Department is established under the Audit Committee to carry out audit work independently under the guidance of the Audit Committee. The Internal Audit Department of the Company shall be accountable and report work to the Audit Committee.

Rule 10 The Internal Audit Department should be staffed with full-time personnel who have the necessary professional knowledge, professional proficiency, adherence to principles and good professional ethics to engage in internal audit work, and the full-time personnel should be no less than three.

Rule 11 The Internal Audit Department shall have a person in charge who is fully responsible for the day-to-day audit management of the Internal Audit Department. The person in charge must be full-time, nominated by the Audit Committee and appointed and dismissed by the Board of Directors. The head of the Internal Audit Department must have middle, senior professional and technical titles and practical internal audit work experience.

Rule 12 Auditors should maintain independence in carrying out internal audit work and adhere to the principles of objectivity, impartiality, truthfulness, integrity and confidentiality.

Rule 13 The Company shall support and guarantee the implementation of post

qualification and follow-up education system for internal auditors.

Rule 14 The funds necessary for the Internal Audit Department to perform its duties shall be included in the Company's budget and shall be guaranteed by the Company.

Chapter 3 Responsibilities and Authorities

Rule 15 When guiding and supervising the internal audit work of the Internal Audit Department, the Audit Committee shall perform the following main responsibilities:

- (I) To guide and supervise the establishment and implementation of internal audit policy;
- (II) To convene a meeting at least once a quarter to review the work plans, reports, and other relevant documents submitted by the Internal Audit Department;
- (III) To report to the Board of Directors at least once every quarter, including but not limited to the progress and quality of internal audit work, and major findings;
- (IV) To coordinate the relationship between the Internal Audit Department and external audit agencies including accounting firms and government audit institutions.

Rule 16 The Internal Audit Department shall perform the following main responsibilities:

- (I) To inspect and evaluate the completeness and reasonableness of the internal control policies and the effectiveness of the implementation in the Company's parent company, subsidiaries or companies or entities that are controlled or significantly influenced by the Company.
- (II) To audit the accounting information and other relevant financial information of the Company's parent company, subsidiaries or companies or entities that are controlled or significantly influenced by the Company as well as the validity, compliance, authenticity and completeness of the financial information and related activities, including but not limited to financial reports, performance snapshots, financial forecasts, etc.;
- (III) To assist in the establishment and improvement of a comprehensive anti-fraud mechanism, identify high risk areas and processes, and pay reasonable attention to and check for possible fraudulent behaviors during auditing;

(IV) To report to the Audit Committee at least quarterly, including but not limited to the implementation of the internal audit plan and issues identified in the internal audit work.

(V) The Internal Audit Department shall submit an internal audit work plan for the following year to the Audit Committee within two months prior to the end of each accounting year, and submit an annual internal audit work report to the Audit Committee within two months after the end of each accounting year.

The Internal Audit Department shall make the audit of significant external investments, purchasing and sale of assets, external guarantees, related party transactions, use of raised funds, and relevant information disclosure a mandatory part of its annual work plan.

(VI) The Internal Audit Department shall conduct audits based on business processes, and evaluate the reasonableness of the design and effectiveness of the implementation of internal controls relating to financial reporting and information disclosure matters.

(VII) Usually, internal audit shall normally cover all business processes related to financial reporting and information disclosure in the Company's operating activities, including but not limited to sales and collection, procurement and payments, cost management, fixed asset management, capital management, investment and financing management, human resources management, information system management, information disclosure management, etc. The Internal Audit Department shall conduct audits of key processes on an annual basis and cover all key business processes every 3 years.

The Internal Audit Department may adjust the audit scope of business processes according to the characteristics of the industry and business operations.

Rule 17 The main authorities of the Internal Internal Audit Department are:

(I) To require the audited unit to submit plans, budgets, performance or results, financial statements, relevant documents and information, etc. on schedule according to the needs of the internal audit work;

(II) To check vouchers, accounting books, financial statements, performance or results, and assets and property, test financial accounting system, and review relevant documents and information;

(III) To investigate and follow up open matters in the audit and require and obtain

supporting documents;

- (IV) To solicit the support of the General Manager of the Company to instantly stop the act of ongoing serious violations of laws and regulations or serious asset misappropriation once such act was addressed.
- (V) To take necessary measures against those who obstruct or undermine the audit work or refuse to provide the relevant information, and propose disciplinary actions;
- (VI) To come up with suggestions on improving management and efficiency, as well as remediation plans of correcting misconduct of violating laws and regulations;
- (VII) To come up with suggestions on disciplinary actions for employees who seriously violating laws and regulations or causing of serious losses and wastage;
- (VIII) To timely report significant issues addressed during the audit to the general manager and the Board of Directors.

Chapter 4 Auditing Procedures

Rule 18 The main procedures of internal audit work are:

- (I) Draft an audit plan based on the actual situation of the Company and submit it to the Audit Committee for approval before implementation;
- (II) Before the implementation of the audit, the audited unit shall be notified 7 days in advance. The audited unit shall cooperate with the audit work and provide necessary working conditions;
- (III) When auditing the Company's subsidiaries or companies or entities that are controlled or significantly influenced by the Company, the internal audit organization may apply to transfer suitable personnel from the Company's subsidiaries or companies or entities that are controlled or significantly influenced by the Company to form an audit team to complete the audit project together;
- (IV) The issues identified in the audit can be presented to the relevant units and personnel for improvement at any time;
- (V) The audit team shall write an audit report within 20 days after the end of an audit and solicit opinion from the audited unit. The audited unit (or the

audited person) shall submit a written opinion to the audit team or the internal audit organization within 7 days from the date of receipt of the audit report. The audit team shall submit the audit report and the audited unit's opinion on the audit report to the head of Internal Audit Department for approval;

The internal audit organization shall promptly send the audit opinion and audit decision to the audited unit. The approved audit opinion and audit decision come into force from the date of delivery, and the audited unit must execute these documents and submit the execution results to the internal audit organization in writing;

(VI) Adhere to follow-up audits for major audit projects to check the implementation of audit decisions and the adoption of audit recommendations by the audited units;

(VII) If the audited unit raises any objection to the audit opinion and audit decision, it may notify the head of Internal Audit Department within 15 days from the date of receipt of the decision, and the head of Internal Audit Department shall make a decision on whether to re-review or change the audit decision as soon as possible. The Internal Audit Department shall notify the status of the re-review or change of the audit decision to the head of Internal Audit Department. The original audit decision shall be executed as usual during the re-review period or before a decision on change is made.

Rule 19 The internal audit organization must establish and manage audit files for the audits performed as stipulated. The internal audit information shall not be disclosed to any other organization or individuals without the consent from the Board of Directors.

Chapter 5 Specific Implementation

Rule 20 The Internal Audit Department shall implement proper auditing procedures according to relevant provisions, evaluate the effectiveness of the Company's internal control, and submit internal control evaluation report to the Audit Committee at least once a year.

The evaluation report shall specify the purpose, scope, review conclusions and suggestions on the improvement of internal control.

Rule 21 The scope of review and evaluation of internal control shall include the establishment and implementation of the internal control policies related to financial reports and information disclosure matters.

The Internal Audit Department shall make the integrity and reasonableness as well as the effectiveness of the implementation of internal control policies related to matters such as external investments, purchasing and sale of assets, external guarantees, related

party transactions, use of raised funds, information disclosure matters as the focus of inspection and evaluation.

Rule 22 The Internal Audit Department shall urge the relevant responsible departments to formulate rectifying measures and rectification time for internal control defects found out in the reviewing process.

Rule 23 The Internal Audit Department shall arrange subsequent review work for internal control in due course, supervise the implementation of rectifying measures, report the implementation status of rectifying measures of the previous quarter to the Audit Committee, and then include it in the annual internal audit work plan.

Rule 24 The Internal Audit Department shall timely report to the Audit Committee any major defects or risks existing in the internal control during the reviewing process.

If the Audit Committee considers that there are material defects or significant risks in the Company's internal control, the Board of Directors shall timely report and disclose such defects or risks to relevant Stock Exchanges. The Company shall disclose in an announcement the material defects or risks existing in internal control, existing or possible consequences, and measures already taken or planned.

Rule 25 The Internal Audit Department shall perform a timely audit after occurrence of a significant external investment. When auditing the external investment, the following should be the focus of attention:

- (I) Whether the external investment has gone through the approval procedures in accordance with relevant regulations.
- (II) Whether contracts are concluded and normally performed according to the approved contents;
- (III) Whether a dedicated person is assigned or a specific organization is established to take charge of studying and evaluating the feasibility, investment risk and investment return of major investment project, and tracking and supervising the progress of the major investment project;
- (IV) Where entrusted wealth management matters are involved, attention is paid to whether the Company has delegated the approval power of entrusted wealth management to individual director(s) or operation management, whether the trustee has a good record of integrity, operating conditions and financial status, and whether a person is assigned to track and monitor the progress of entrusted wealth management;
- (V) If securities investment is involved, attention is paid to whether the Company has established a special internal control policy for securities investment, whether the scale of investment affects the Company's normal operation,

whether the source of funds is its own funds, whether the investment risk is beyond the Company's affordable range, whether others' account are used or funds is provided to others for securities investments, and whether independent directors and the sponsor (including the sponsor institution and sponsor representative, the same below) express their opinions (if applicable).

Rule 26 The Internal Audit Department shall perform a timely audit after significant purchases and sales of assets. When auditing purchases and sales of assets, the following should be the focus of attention:

- (I) Whether the purchase and sale of assets has gone through the approval procedures in accordance with relevant regulations;
- (II) Whether a contract is concluded and normally performed according to the approved contents;
- (III) Whether the operational status of assets purchased is as expected;
- (IV) Whether the assets purchased are subject to guarantees, mortgages, pledges and other restrictions on transfer, and whether they are involved in litigation, arbitration and other major disputes.

Rule 27 The Internal Audit Department shall perform a timely audit after the occurrence of an important external guarantee. When auditing the external guarantee, the following should be the focus of attention:

- (I) Whether relevant approval procedure has been performed for the external guarantee;
- (II) Whether the guarantee risk exceeds the Company's affordable range and whether the guaranteed party has a good record of integrity, operational status and financial status;
- (III) Whether the guaranteed party provides a counter-guarantee and whether the counter-guarantee is enforceable;
- (IV) Whether the independent directors and the sponsor express an opinions (if applicable);
- (V) Whether dedicated personnel are assigned to pay continuous attention to the guaranteed party's operational status and financial status.

Rule 28 The Internal Audit Department shall perform a timely audit after occurrence of a significant related party transaction. When auditing the related party

transaction, the following should be the focus of attention:

- (I) Whether a list of related parties is determined and timely updated;
- (II) Whether the approval procedure has been performed for the related party transaction, and whether connected shareholders or connected director recuse themselves from voting when related party transactions are considered;
- (III) Whether independent directors have approved and expressed their independent opinions in advance, and whether the sponsor expresses its opinions (if applicable);
- (IV) Whether a written agreement has been signed for the related party transaction to clarify the two parties' rights, obligations and legal liabilities;
- (V) Whether the subject of the transaction is subject to guarantees, mortgages, pledges and other restrictions on transfer, and whether it is involved in litigation, arbitration and other significant disputes.
- (VI) Whether the counterparty has a good record of integrity, operational status and financial status;
- (VII) Whether the related party transaction is fairly priced, whether the subject of the transaction has been audited or evaluated according to relevant regulations, and whether the related party transaction will encroach on the listed company's interests.
- (VIII) Whether the related party transaction has been disclosed and approved by shareholders as required under the Listing Rules.

Rule 29 The Internal Audit Department shall perform an audit over the deposit and use of funds raised at least once every quarter and express its opinion on the authenticity and compliance of the use of funds raised. When auditing the use of funds raised, the following should be the focus of attention:

- (I) Whether the funds raised are deposited in a special account decided by the Board of Directors for centralized management, and whether the Company has signed a tripartite supervision agreement with the commercial bank where the funds raised are deposited and the sponsor;
- (II) Whether the funds raised are used in accordance with the fundraising investment plan promised in the issuance application documents, whether the investment progress of fundraising project complies with the planned progress, and whether the return on investment is in line with expectations;

- (III) Whether the funds raised are used for pledging, entrusted loans or other investments that change the usage of the funds raised in disguised way, and whether the funds raised have been occupied or embezzled;
- (IV) Whether relevant approval procedure and information disclosure obligations have been performed according to relevant regulations when the funds raised are used to replace self-owned capital already invested in fundraising project in advance, idle funds raised are used to temporarily supplement working capital, the investment direction of the funds raised is changed, and whether independent directors, the Board of Supervisors and the sponsor express their opinions according to relevant regulations (if applicable).

Rule 30 The Internal Audit Department shall audit the performance snapshot before it is disclosed to the public. When auditing the performance snapshot, the following should be the focus of attention:

- (I) Whether Accounting Standards for Business Enterprises and relevant provisions are followed;
- (II) Whether the accounting policies and accounting estimates are reasonable and whether changes have occurred;
- (III) Whether there are significant unusual matters;
- (IV) Whether assumption for a going concern is satisfied;
- (V) Whether significant defects or risks exist in the internal control related to financial reporting.

Rule 31 When reviewing and evaluating the establishment and implementation status of information disclosure management system, the Internal Audit Department shall focus on the following:

- (I) Whether the Company has formulated information disclosure management policy and other relevant policies according to relevant regulations, including information disclosure management and reporting system of the Company's internal organizations, holding subsidiaries and participating companies with significant influence;
- (II) Whether the scope and contents of material information and the process of transmission, review and disclosure of material information are clearly defined;
- (III) Whether confidentiality measures have been established for undisclosed material information, and clarify the scope and confidentiality

responsibilities of those who know insider information;

- (IV) Whether the rights and obligations of the Company and its directors, supervisors, senior management personnel, shareholders, actual controllers and other relevant information disclosure obligors in information disclosure matters are clearly defined;
- (V) Whether the Company assigns dedicated personnel to track the fulfillment of public commitments made by the Company and its controlling shareholder(s) and actual controller(s) if any;
- (VI) Whether the information disclosure management policy and other relevant policies are effectively implemented.

Chapter 6 Information Disclosure

Rule 32 The Audit Committee shall issue an annual internal control self-evaluation report of the establishment and implementation status of the internal control policy related to financial reports and information disclosures based on the evaluation report and relevant information issued by the Internal Audit Department. The internal control self-evaluation report shall contain at least the following contents:

- (I) Whether the internal control policy has been established, improved and effectively implemented;
- (II) Defects and abnormalities existing in the internal control and their handling (if applicable);
- (III) Relevant measures taken to improve and refine the establishment and implementation of the internal control policy;
- (IV) Improvements of defects and abnormalities existing in the internal control of previous year (if applicable);
- (V) Description of the completion of the internal control review and evaluation for the year.

While deliberating the annual report, the Board of Directors shall form a resolution on the internal control self-evaluation report. The Board of Supervisors and independent directors shall express their opinions on the internal control self-evaluation report, and the sponsor shall verify the report and issue a verification opinion.

- (VI) When employing an accounting firm to conduct annual audit, the Company shall request the accounting firm to issue an internal control authentication

report of the effectiveness of the Company's internal control related to financial reporting at least once every two years unless otherwise stipulated by relevant Stock Exchanges.

(VII) If the accounting firm issues a non-unqualified authentication conclusion report of the effectiveness of the Company's internal control, the Board of Directors and the Board of Supervisors shall make a specific explanation of the matters involved in the authentication conclusion, which shall include at least the following contents:

- (1) Basic information of each matter involved in the authentication conclusion;
- (2) The extent to which the matter affects the effectiveness of the company's internal control;
- (3) Opinions of the Board of Directors and the Board of Supervisors on this matter;
- (4) Specific measures for the elimination of this matter and its influence.

(VIII) The Company shall disclose the internal control self-evaluation report and the internal control authentication report issued by the accounting firm (if any) on a designated website at the same time as the annual report is disclosed.

Chapter 7 Management of Auditing Files

Rule 33 At the end of an audit, the Internal Audit Department shall establish auditing files on the audited matters within fifteen days, and implement the audit file management responsibility system of whoever is in charge of the auditing work, who is responsible for establish the audit files, and the audit file is completed upon the audit conclusion, and periodical archiving is implemented.

- (I) The audit evidence acquired by the internal auditors shall be adequate, relevant and reliable. The internal auditors shall clearly and completely record the relevant information of audit evidence including name, source, content and time in the working papers.
- (II) The Internal auditors shall prepare and review audit working papers according to relevant regulations, and timely classify, sort and archive these papers after the completion of each audit project.
- (III) The Internal Audit Department shall establish a confidentiality policy for working papers, establish relevant files management policy according to the

provisions of relevant laws and regulations, and make clear of the retention time of internal audit work reports, working papers and relevant materials.

Chapter 8 Management of Supervision and Handling of Violations

Rule 34 The Company shall establish an incentive and restriction mechanism for the Internal Audit Department to supervise and assess the internal auditors' work and then evaluate their work performance.

If a major problem exists in the internal audit work, the Company shall ascertain where the responsibility lies and deal with relevant responsible person(s) according to relevant regulations, and timely report to relevant Stock Exchanges.

Rule 35 The Company and related personnel will be punished according to the severity of the situation if they violate this policy.

For units and individuals having any of the following behaviors, the Internal Audit Department will propose penalties based on the severity of the situation and then report to the company's leadership for approval before implementation.

- (I) Refuse to provide, hide or falsely report relevant documents, vouchers, accounting books, statements information and supporting materials;
- (II) Obstruct auditors from exercising their powers, or resist or sabotaging supervision and inspection;
- (III) Practice fraud or conceal the truth;
- (IV) Refuse to execute audit decision;
- (V) Retaliate against auditors and whistleblowers;

Rule 36 For auditors having any of the following acts in violation of this policy, the Internal Audit Department will put forward opinions on punishments based on the severity of the situation and then report to the company's leadership for approval before such punishments can be executed.

- (I) Abuse their power for personal gains;
- (II) Practice fraud, or commit illegalities for personal gains
- (III) Neglect their duties resulting in serious distortion of the audit report;
- (IV) Fail to keep the Company's secrets.

Chapter 9 Supplementary Provisions

This policy will be implemented after being reviewed and approved by the Board of Directors and the Board of Directors is responsible for its interpretation.

The Board of Directors of Hangzhou Tigermed Consulting Co., Ltd.
May 09, 2022