TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE
Adopted on 2 September 2019
(Amended on 20 May 2024)

TERMS OF REFERENCE FOR THE

REMUNERATION COMMITTEE OF

SHANGHAI HENLIUS BIOTECH, INC.

Definitions

1. For the purposes of these terms of reference (the ***Terms***):

   Articles means the articles of association of the Company;

   Board means the board of directors of the Company;

   Company means Shanghai Henlius Biotech, Inc.;

   Company Secretary means the company secretary of the Company;

   Directors means the members of the Board;

   Group means the Company and its subsidiaries;

   Listing Rules means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);

   Remuneration Committee means the remuneration committee established by the resolution of the Board in accordance with these Terms;

   Senior Management means the senior executives and officers of the Group determined by the Board from time to time as the senior management of the Group for the purposes of the Remuneration Committee;

   Shareholders means the shareholders of the Company from time to time; and

   Stock Exchange means The Stock Exchange of Hong Kong Limited.

2. The word "remuneration", as used in these Terms, includes without limitation any salaries, bonuses, allowances, benefits (in cash or in kind), pension arrangements, reimbursements, compensation payments (including any compensation payable for loss or termination of office or appointment), incentive awards and share options.

Establishment

3. The Remuneration Committee was established by resolution of the Board on 2 September 2019.

Membership

4. The members of the Remuneration Committee shall be appointed by the Board from among the non-executive Directors only and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. A quorum shall be two members of whom at least one shall be an independent non-executive Directors.

5. Appointments to the Remuneration Committee shall be for a period of up to three years, which may be extended by the Board provided that a majority of the committee members remain independent non-executive Directors.

6. The chairman of the Remuneration Committee shall be appointed by the Board and shall be an independent non-executive Director.

7. Each member of the Remuneration Committee shall disclose to the Remuneration Committee:

   (a) any personal financial interest (other than as a Shareholder of the Company) in any matter to be decided by the Remuneration Committee; or

   (b) any potential conflict of interest arising from a cross-directorship.

   Any such member shall abstain from voting on resolutions of the Remuneration Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Remuneration Committee.

Frequency and conduct of meetings

8. Meetings of the Remuneration Committee shall be held as and when appropriate, but not less than once a year. The chairman of the Remuneration Committee shall convene a meeting upon request by any member of the Remuneration Committee.

9. An agenda and other relevant documents should be sent in full to all members in a timely manner and at least three days before the intended date of a meeting of the Remuneration Committee (or such other period as may be agreed by its members).

10. Meetings of the Remuneration Committee may follow the same procedures as those for meetings of the Board under the relevant provisions in the Articles, as amended from time to time.

11. The Group's management team is obliged to supply the Remuneration Committee with adequate information in a timely manner in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where any member requires more detailed and complete information from management, that member should make any additional necessary enquiries. The Remuneration Committee and each member shall have separate and independent access to management.

Annual general meetings

12. The chairman of the Remuneration Committee (or in his absence, his duly appointed

Authority

13. The Remuneration Committee is authorised by the Board to perform its duties within these Terms. It is authorised to seek any information it requires from the Directors and/or Senior Management who are directed to co-operate with the Remuneration Committee.

14. The Remuneration Committee is authorised by the Board to obtain, at the Company's expense, external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Remuneration Committee shall be provided with sufficient resources to perform its duties. The Remuneration Committee should be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external consultant who advises the Remuneration Committee.

Duties

15. The duties of the Remuneration Committee shall include:

    (a) making recommendations to the Board on the Company's policy and structure for all Directors' and Senior Management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy subject to approval of the General Meeting;

    (b) reviewing and approving the management'

16. In carrying out its duties under these Terms, the Remuneration Committee should:

(a) consult the chairman of the Board and/or the chief executive officer about their remuneration proposals for other executive Directors and Senior Management;

(b) determine the remuneration packages needed to attract, retain and motivate executive Directors and Senior Management of the quality required to run the Company successfully, but avoid paying more than necessary;

(c) judge where to position the Group relative to other companies. They should be aware of what comparable companies are paying and should take account of the Group' s relative performance;

(d) be sensitive to the wider market, including pay and employment conditions within the Group and elsewhere, especially when determining annual salary increases;

(e) ensure that the performance-related elements of remuneration form a significant proportion of the total remuneration package of executive Directors and are designed to align their interests with those of Shareholders and to give the Directors incentives to perform at the highest levels;

(f) prepare a remuneration policy for the members of the Board to be adopted by the General Meeting; and

(g) ensure that any offers and awards of share options or share awards by the Company to its Directors or Senior Management (if any) are in accordance with Chapter 17 of the Listing Rules, as applicable.

17. Without prejudice to the generality of the duties of the Remuneration Committee set out in these Terms, the Remuneration Committee shall:

(a) operate the Company' s share option or share awards or other incentive schemes (if any) as they apply to Directors and Senior Management and if applicable, recommend to the Shareholders any grants of options or awards or other incentives to be made to Directors and/or Senior Management. It shall recommend to the Board the total aggregate amount of any grant of options or awards to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);

(b) liaise with the trustee of any trust which is created by the Company for the benefit of participants in any share option or share awards or other incentive scheme;

(c) review the terms of executive Directors' service contracts from time to time; and

(d) advise the Board in relation to the preparation of the Board' s remuneration report (if any) to Shareholders.

Reporting procedures

18. Full minutes of the Remuneration Committee's meetings shall be kept by a duly appointed