Mech-Mind Robotics Technologies Co., Ltd.

Terms of Reference of the Audit Committee under the Board of Directors

CHAPTER 1 GENERAL PROVISIONS

Article 1 To strengthen the internal supervision and risk control of Mech-Mind Robotics Technologies Co., Ltd. (hereinafter referred to as the "Company"), enhance the decision-making capabilities of the Board of Directors of the Company (the "Board"), conduct pre-audits and professional audits, ensure effective supervision of the management by the Board and improve the corporate governance structure, the Board has hereby established the Audit Committee (the "Committee") and formulated the Terms of Reference in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules, the Articles of Association of Mech-Mind Robotics Technologies Co., Ltd. (hereinafter referred to as the "Articles of Association") and other relevant regulations.

Article 2 The Audit Committee is a specialized working body under the Board. It exercises the powers of the Supervisory Committee as stipulated under the Company Law and is primarily responsible for reviewing the Company's financial information and its disclosure, supervising and assessing both internal and external audits and internal control.

CHAPTER 2 COMPOSITION

Article 3 The Audit Committee shall consist of at least three directors, all of whom shall be non-executive directors of the Company. Independent non-executive directors (at least one of the independent non-executive director members shall possess the appropriate professional qualifications, accounting or relevant financial management expertise in accordance with the Hong Kong Listing Rules, and meet the qualification requirements for a financial professional on the Audit Committee as stipulated by the Hong Kong Listing Rules) shall constitute the majority of members of the Committee and shall serve as the chairman of the Committee.

Article 4 Members of the Audit Committee (hereinafter referred to as "members") shall be nominated by the chairman of the Board or more than one-third of all directors and shall be elected by the Board. The election of members shall be subject to approval by a majority of all directors. However, all the independent non-executive directors who are accounting professionals elected by the Company shall automatically be qualified as candidates and do not require nomination. If there is only one independent non-executive director who is an accounting professional, he/she shall be automatically elected.

Article 5 The Audit Committee shall have one chairman, who shall be an independent non-executive director member possessing accounting expertise and shall be responsible for convening and presiding over the work of the Audit Committee. If there are two or more independent non-executive directors with accounting expertise, the chairman shall be elected by the Board from among the accounting professionals.

Article 6 The term of the Audit Committee shall be the same as that of the Board. Upon expiration of their terms of office, members may be re-elected for consecutive terms. If a member ceases to serve as a director of the Company, or if a member who is required to be an independent non-executive director no longer meets the independence requirements stipulated by relevant laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed, his/her membership on the Committee shall automatically terminate. A member may submit a written resignation to the Board prior to the expiration of his/her term of office, thereby resigning from his/her position on the Committee. The resignation report shall include a necessary explanation of the reasons for resignation and any matters requiring the attention of the Board. When the composition of the Audit Committee fails to comply with the provisions of the Terms of Reference, the Board shall, within three months from the date such failure occurs, rectify the situation in accordance with the Terms of Reference. The term of office of any member appointed to fill the vacancy shall last until the expiration of the member's term as a director. Prior to the expiration of a member's term of office, such member shall not be removed without cause, unless circumstances arise that render him/her ineligible to serve as stipulated by relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 7 The Audit Committee shall establish an Audit Department as its execution body for specific tasks, responsible for preparing and implementing internal audit plans, issuing internal audit reports, handling daily communications, organizing meetings, and other matters approved by the Audit Committee. The Company's Audit Department shall be accountable to the Audit Committee and report its work to the Audit Committee.

CHAPTER 3 DUTIES AND POWERS

Article 8 The main duties of the Audit Committee are as follows:

(I) To propose the appointment or replacement of the external audit institution, assess the performance of the external audit institution, and supervise the independence of the external audit institution, and the effectiveness, quality and outcomes of its work procedures and audit procedures;

(II) To establish and implement the policies regarding the provision of non-audit services by the external audit institution;

(III) To maintain communication with the Board and senior management members, and supervise the Company's internal audit system and its implementation;

(IV) To be responsible for the communication and coordination between the internal and external audit institutions;

(V) To monitor the completeness of the Company's financial statements, annual reports and accounts, and semi-annual reports, and review significant opinions on financial reporting contained in the statements and reports;

(VI) To review the Company's internal control systems, and assess the effectiveness of its financial control, risk management and internal control systems;

(VII) To review the Group's financial and accounting policies and practices;

(VIII) To report to the Board on matters set out in the Corporate Governance Code stipulated in the Hong Kong Listing Rules;

(IX) To review the Company's continuing connected transactions and ensure compliance with the terms approved by the Company's shareholders;

(X) To review the Company's financial position;

(XI) To supervise the performance of duties by directors and senior management members, and propose a removal of any director or senior management member who violates any laws, administrative regulations, the Articles of Association or resolution adopted at the shareholders' meeting;

(XII) To require directors and senior management members to make rectifications when their behaviors harm the interests of the Company;

(XIII) To propose the convening of extraordinary shareholders' meetings, and convene and preside over shareholders' meetings when the Board fails to fulfill its duties of convening and presiding over shareholders' meetings as stipulated herein;

(XIV) To submit proposals to shareholders' meetings;

(XV) To initiate legal proceedings against any director or senior management member according to Article 189 of the Company Law;

(XVI) To exercise the relevant authorities of the Supervisory Committee as specified in the Company Law, or other powers as stipulated by relevant laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and handle other matters as authorized by the Board.

Article 9 The Audit Committee shall be accountable to the Board, and proposals of the Audit Committee shall be submitted to the Board for deliberation and decision.

CHAPTER 4 DECISION-MAKING PROCEDURES

Article 10 The Audit Department shall be responsible for the preparatory work for the Audit Committee's decision-making, and shall provide written materials related to the Company, including but not limited to:

(I) Relevant financial reports of the Company;

(II) Work reports from the internal and external audit institutions;

(III) The external audit contract and related work reports;

(IV) Information on the Company's external disclosures;

(V) Audit reports on the Company's significant related party transactions;

(VI) Other relevant matters.

Article 11 The meeting of the Audit Committee shall review the reports or materials provided by the Audit Department, make resolutions on relevant matters, and submit the written resolutions and related materials to the Board. These matters include but are not limited to:

(I) Evaluation of the external audit institution's work, the engagement and replacement of the external audit institution, and approval of the remuneration and engagement terms of the external audit institution;

(II) Whether the Company's internal audit system has been effectively implemented, and whether the Company's financial reports are complete and truthful;

(III) Whether the financial reports and other information disclosed by the Company are comprehensive and truthful, and whether the Company's significant related party transactions comply with relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association;

(IV) Evaluation of the work of the Company's financial department and audit department, including their responsible persons;

(V) Other related matters.

Article 12 The following matters shall be submitted to the Board for consideration after approval by a majority of all members of the Audit Committee:

(I) Disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(II) Engagement or dismissal of the accounting firm responsible for the Company's audit business;

(III) Appointment or removal of the Company's chief financial officer;

(IV) Changes to accounting policies or accounting estimates, or correction of material accounting errors, except where such changes are due to modifications in accounting standards;

(V) Other matters stipulated by laws, administrative regulations, the regulations of the China Securities Regulatory Commission and the Articles of Association.

Article 13 The procedures for reviewing annual financial reports by the Audit Committee are as follows:

(I) The schedule for the audit of annual financial reports shall be determined by the Audit Committee and the accounting firm responsible for the Company's annual audit through consultation;

(II) The Audit Committee shall urge the accounting firm to submit the audit report within the agreed timeframe;

(III) Before the certified public accountants for annual audit begin their work, the Audit Committee shall review the financial accounting statements prepared by the Company, and in principle, shall form written opinions;

(IV) After the certified public accountants for annual audit begin their work, the Audit Committee shall strengthen communication with them, review the Company's annual financial accounting statements again after the certified public accountants for annual audit have issued preliminary audit opinions, and in principle, shall form written opinions;

(V) Upon completion of the audit report on the financial accounting statements, the Audit Committee shall vote on whether to approve the report, form a resolution, and submit it to the Board for review;

(VI) While submitting the financial report to the Board, the Audit Committee shall submit to the Board a summary report on the accounting firm's audit work for the Company for the current year and a resolution regarding the reappointment or replacement of the accounting firm for the next year.

CHAPTER 5 RULES OF PROCEDURE

Article 14 Meetings of the Audit Committee shall be held at the request of the Board or upon proposal by its members. Meetings of the Audit Committee shall be classified as regular meetings and extraordinary meetings. Regular meetings shall be held at least twice a year, and one such regular meeting shall be held before the Board reviews the annual report each year. All members shall be notified of the meeting three days in advance. With the unanimous consent of all the members, the prior notice requirement may be waived. Meetings shall be presided over by the chairman. Where the chairman is unable to attend, another member (who must be an independent non-executive director) shall be appointed to preside over the meeting.

Article 15 Meetings of the Audit Committee shall be held only with the presence of more than two thirds of members, with at least one member being an independent non-executive director. Any member unable to attend may appoint another member in writing to attend and vote on his/her behalf; however, no member may simultaneously accept mandates from two other members. A member who is unable to attend the meeting in person may exercise their rights by submitting written opinions on the matters under discussion, provided that such written opinions are submitted no later than the convening of the meeting. If a member fails to attend a meeting of the Audit Committee in person or by proxy, nor does he/she submit written opinions prior to the meeting, he/she shall be deemed to have waived his/her right to vote at the meeting.

Each member is entitled to one vote, and votes may be cast as "in favor", "against", or "abstain". In the event of a tie between favorable and opposing votes, the chairman of the Committee has an additional casting vote. Resolutions passed at the meeting must be approved by a majority of all members.

Where any member of the Audit Committee has any interest in the matters to be deliberated by the Audit Committee, such member shall abstain from voting on the matters. If, after the interested member has abstained, the Audit Committee no longer meets the minimum quorum required for a meeting as stipulated in the Terms of Reference, all members (including the interested member) shall make a resolution on procedural matters such as submitting the relevant proposal to the Board for consideration, and the Board shall deliberate on the proposal.

Article 16 Voting at a meeting of the Audit Committee shall be conducted by a show of hands or by poll. Meetings may be convened either on-site or off-site via communication means.

Article 17 Members of the Audit Department may attend meetings of the Audit Committee as non-voting participants. Directors and other senior management members of the Company may be invited to attend meetings of the Audit Committee as non-voting participants, if necessary. Persons (other than members) attending the meetings may provide explanations or clarifications on matters under discussion but shall have no voting rights on the proposals at the meeting.

Article 18 If necessary, the Audit Committee may engage intermediaries to provide professional opinions for its decision-making at the cost of the Company.

Article 19 The convening procedure and voting method of the meetings of the Audit Committee and resolutions passed at such meetings shall comply with relevant laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, the Articles of Association and the Terms of Reference.

Article 20 Minutes shall be taken for meetings of the Audit Committee, and shall be signed by the attending members. Members attending the meeting shall have the right to request that their statements made during the meeting be recorded as explanatory notes in the minutes. The meeting minutes shall be maintained by the secretary to the Board for a period of not less than 10 years.

Article 21 Proposals approved and voting results at meetings of the Audit Committee shall be reported to the Board in written form.

Article 22 Members present at the meeting and non-voting participants are obligated to maintain confidentiality regarding the matters discussed at the meeting. Unless otherwise stipulated by relevant laws, regulations, and/or requirements of regulatory authorities, no relevant information shall be disclosed without authorization.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 23 For the purpose of the Terms of Reference, references to "above" shall include the given figure, while references to "over" and "less than" shall exclude the given figures.

Article 24 The term "related party transactions" as referred to in the Terms of Reference includes "connected transactions" as defined in the Hong Kong Listing Rules.

Article 25 The Terms of Reference shall take effect and be implemented upon consideration and approval by the Board, with provisions applicable to listed companies taking effect and being implemented from the date on which the Company's publicly offered H shares are listed and traded on the Main Board of the Hong Kong Stock Exchange. From the effective date of the Terms of Reference, the original Terms of Reference of the Audit Committee of the Company shall automatically become void.

Article 26 Matters not covered herein shall be implemented in accordance with the relevant laws and regulations of the PRC, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. In case that the Terms of Reference are in conflict with the laws and regulations to be promulgated in future, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association as amended through lawful procedures, the relevant laws and regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association shall prevail, and amendments to the Terms of Reference shall be made accordingly and submitted to the Board for consideration and approval.

Article 27 If the Terms of Reference are available in both Chinese and English versions, the Chinese version shall prevail in case of any discrepancy between the two versions.

Article 28 The Terms of Reference shall be formulated and interpreted by the Board.