Shaanxi Micot Pharmaceutical Technology Co., Ltd.
陝西麥科奧特醫藥科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

("Company")

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

In accordance with the code provisions of the Corporate Governance Code issued by the Stock Exchange, a Nomination Committee shall be established, whose terms of reference (the "**Terms of Reference**") are set out in and adopted by this document.

1. Organisation

To improve the corporate governance structure of Shaanxi Micot Pharmaceutical Technology Co., Ltd. (the "**Company**"), assist the board of directors of the Company (the "**Board of Directors**") in making sound decisions, and promote efficient management, the Company has established a Nomination Committee of the Board of Directors (the "**Committee**").

2. Objectives

The main objective of the Committee is to review the structure of the Board of Directors on a regular basis and to make recommendations to the Board of Directors on any proposed changes. The Committee shall be responsible to the Board of Directors.

3. Members

3.1 The Committee shall consist of at least three directors, at least one of whom shall be of a different gender, and the members of the Committee shall be appointed and removed by the Board of Directors. If a member of the Committee (a "**Member**") ceases to be a director, he or she will automatically cease to be a Member, and the Board of Directors will appoint a new Member to fill the vacancy.

3.2 A majority of the members of the Committee shall be independent non-executive directors.

3.3 The Committee shall have a chairman, who shall be the chairman of the Board of Directors or an independent non-executive director, and shall be formally appointed by the Board of Directors.

3.4 The term of office of the Committee shall be the same as that of the Board of Directors, and members may be re-elected for consecutive terms.

4. Secretary of the Committee

Unless otherwise appointed by the Committee, the secretary of the Committee shall be the company secretary of the Company; if there is no company secretary, the secretary to the Board of Directors shall serve as such; if there is no secretary to the Board of Directors, any other person nominated by any Member and approved by the Committee shall serve as the secretary of the Committee.

5. Powers and Responsibilities

5.1 The Committee is authorised by the Board of Directors to review, assess and make recommendations on any matter within its remit.

5.2 Without prejudice to the generality of the foregoing, the duties of the Committee are as follows:

(a) To review at least annually the structure, size and composition of the Board of Directors (including but not limited to skills, knowledge, experience and length of service) and the Board of Directors's diversity policy, to assess whether the Board devotes sufficient time to its duties, and to make recommendations on any proposed changes to the Board of Directors to complement the Company's corporate strategy;

(b) To regularly review the contribution required from a director to perform his duties and whether he has devoted sufficient time to his duties, and to conduct on a regular basis any other assessments required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), taking into account the director's professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM, the time commitment involved in the director's other significant external commitments, and other factors or circumstances relating to the director's personality, character, independence and experience;

(c) To review the Company's diversity policy and the progress made towards achieving the objectives set for implementing the policy;

(d) To consider the selection criteria for directors and senior management of the Company, to identify persons with suitable qualifications to serve as members of the Board of Directors and senior management, and to select and nominate such persons for appointment as directors and senior management or to advise the Board of Directors thereon for its approval;

(e) To assess the independence of the independent non-executive directors, review the annual confirmation of independence from the independent non-executive directors, and disclose the results of its review in the Company's corporate governance report;

(f) To identify and nominate candidates to fill vacancies for directors and senior management of the Company for the approval of the Board of Directors;

(g) To make recommendations to the Board of Directors on the appointment or re-appointment of directors and on the succession plan for directors;

(h) To handle any other matters as delegated by the Board of Directors to the Committee in order to perform its powers and functions;

(i) To comply with the requirements, guidelines and rules imposed by the Articles of Association of the Company (the "**Articles of Association**") or the Listing Rules or applicable law.

5.3 In performing its functions, the Committee shall give due consideration to the Company's diversity policy.

5.4 The Committee shall be provided with sufficient resources to enable it to perform its functions, including resources to seek independent professional advice.

5.5 The Committee shall perform the matters set out in Code Provision A.5 of Appendix 14 to the Listing Rules and report to the Board of Directors.

6. Committee Meetings

6.1 Frequency of Meetings

The Committee shall convene at least one meeting each year, which may be held in person, by telephone or by video conference. Extraordinary meetings may be convened when necessary.

6.2 Notice of Meetings

Unless all members unanimously agree to waive notice, the secretary of the Committee shall give all members at least seven days' notice before the date of a meeting and circulate the agenda for the meeting to the members.

6.3 Quorum

A meeting of the Committee shall be valid only if more than half of the members are present.

6.4 Mode of Meetings

Meetings may be held in person, by telephone or by video conference. Members may participate in a meeting by means of telephone or similar communication equipment by which all members participating in the meeting are capable of hearing and communicating with each other, and a member so participating shall be deemed to be present at the meeting. With the consent of all members, the Committee may also pass resolutions by way of written resolutions.

The chairman of the Committee is responsible for convening and presiding over Committee meetings. If the chairman of the Committee is unable or refuses to perform his duties, an independent non-executive director shall be elected by more than half of the members to preside over the meeting.

Members shall attend Committee meetings in person and express clear opinions on the matters under deliberation. If a member is unable to attend a meeting in person for any reason, they shall review the meeting materials in advance, form a clear opinion, record that opinion in a proxy form, and appoint another member in writing as their proxy.

A member may act as a proxy for no more than one other member, and the proxy form must specify the scope and duration of the authorisation. If an independent non-executive director is unable to attend a meeting for any reason, they shall appoint another independent non-executive director on the Committee as their proxy.

6.5 Resolutions

Each member shall have one vote, and a resolution of the Committee shall be valid only if passed by a majority of the votes of the members present at the meeting. A resolution signed in writing by all members, whether or not a meeting is held, shall be valid and legally effective. Any resolution may be contained in a single document or may consist of several documents in like form.

6.6 Attendance at Meetings

The Committee may invite executive directors, external advisers or other persons to attend meetings, but such executive directors, external advisers or other persons shall have no right to vote at Committee meetings. If necessary, the Committee may engage intermediary institutions to provide professional advice for its decision-making, with expenses borne by the Company.

6.7 Minutes of Meetings

The secretary of the Committee shall keep complete minutes of all Committee meetings, and the minutes shall record in detail the matters considered and decisions reached by the members at the meeting, including any concerns raised or dissenting opinions expressed by the members. The members present at the meeting and the person taking the minutes shall sign the minutes of the meeting.

7. Reporting

The chairman of the Committee or another member authorised by him to preside over a Committee meeting shall report to the Board of Directors after each Committee meeting.

8. Provision and Updating of Terms of Reference

These Terms of Reference shall be updated and amended as necessary in light of circumstances and changes in Hong Kong's regulatory requirements (such as the Listing Rules). These Terms of Reference shall be made available to the public by publication on the websites of the Company and the Stock Exchange.

9. Supplementary Provisions

9.1 Matters not covered by these Terms of Reference shall be dealt with in accordance with the relevant laws, regulations, rules, regulatory requirements and the Articles of Association.

9.2 The right to interpret these Terms of Reference rests with the Board of Directors.