Transsion

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS

(Applicable upon the Issuance and Listing of H Shares)

Chapter I General Provisions

Article 1 In order to regulate the appointment of leaders of the Company, optimize the composition of the board of directors and improve the corporate governance structure, the Company hereby establishes the Nomination Committee of the board of directors and formulates these terms of reference in accordance with the Company Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), the Guideline No. 1 for the Self-regulatory Rules for Companies Listed on the STAR Market of the Shanghai Stock Exchange — Standardized Operation (《上海證券交易所科創板上市公司自律監管指引第 1 號－規範運作》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of Shenzhen Transsion Holdings Co., Ltd. (hereinafter referred to as the "Articles of Association"), and other relevant provisions.

Article 2 The Nomination Committee of the board of directors is a specialized working body established by the board of directors pursuant to resolutions of the general meeting, and is primarily responsible for selecting and making recommendations on the candidates, selection criteria and procedures of directors and management members of the Company.

Article 3 The management members as referred to herein shall mean the general manager, deputy general manager and secretary to the board of directors appointed by the board of directors and other senior management determined by the board of directors upon the nomination of the general manager.

Chapter II Composition

Article 4 The Nomination Committee shall consist of three directors, with independent directors forming the majority, which shall be at least two (for the purpose of these terms of reference, the term "independent director(s)" shall have the same meaning as "independent non-executive director(s)" under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and the same applies hereinafter).

Article 5 Members of the Nomination Committee shall be nominated by the chairman of the board of directors, one-half or more of the independent directors or one-third of all directors, and shall be elected by the board of directors. The Nomination Committee shall include at least one director of a different gender.

Article 6 The Nomination Committee shall have one chairperson (convener), who shall be an independent director member and responsible for presiding over the work of the committee. The chairperson of the committee shall be elected from among the members and subject to the approval of the board of directors.

Article 7 The term of office of the Nomination Committee shall be consistent with that of the board of directors. A member may serve consecutive terms if re-elected upon the expiration of his/her term of office. If, during his/her term of office, a member ceases to be a director of the Company, or a member who is required to be an independent director no longer possesses the independence required by the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, such member shall automatically lose his/her qualification as a member, or if the resignation of an independent director will result in the proportion of independent directors (including the requirement for at least one director of a different gender) in the Nomination Committee not complying with the requirements under the securities regulatory rules of the place where the Company's shares are listed or these terms of reference, the committee shall fill the vacancy in accordance with the provisions of Articles 4 to 6 above.

Chapter III Duties and Authorities

Article 8 The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management, giving full consideration to factors such as the composition and professional structure of the board of directors. Its primary duties and authorities include:

(I) to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board of directors at least annually, assist the board of directors in preparing a board skills matrix, and make recommendations to the board of directors on the size and composition of the board of directors based on the Company's business activities, asset size and equity structure;

(II) to study the criteria and procedures for the selection of directors and senior management and make recommendations;

(III) to select qualified candidates for directors and senior management;

(IV) to nominate or remove directors, and to review and make recommendations on candidates for directors and senior management;

(V) to formulate and appropriately review the policy on board diversity, and prepare appropriate disclosures regarding the diversity policy as contained in the corporate governance report;

(VI) to appraise each director's time commitment and contribution to the board of directors and his/her ability to fulfil his/her duties effectively by taking into account, among other things, the director's professional qualifications and work experience, his/her existing directorships of issuers listed on the Main Board or the Growth Enterprise Market (GEM) in Hong Kong, and the time commitment involved in the director's other significant external engagements, as well as other factors or circumstances relevant to the director's personality, character, independence and experience;

(VII) to assess the independence of directors;

(VIII) to make recommendations to the board of directors on the appointment or re-appointment of directors and succession plan for directors, in particular the chairman of the board of directors and the chief executive officer;

(IX) to support the Company in assessing the performance of the board of directors on a regular basis;

(X) where the board of directors proposes to elect a candidate as an independent director, to explain to the board of directors (a) the process used to identify such candidate, the reasons why it considers that candidate should be elected and the reasons why they consider that candidate to be independent; (b) in the event that the proposed independent director is to become a director of the seventh (or more) issuer listed on the Main Board or the GEM, the reasons for considering that such candidate is available to devote sufficient time to fulfil the responsibilities of a director; (c) the views and perspectives, skills and experience that such candidate can bring to the board of directors; and (d) how such candidate can contribute to the diversity of the board of directors, which should then be considered and approved by the shareholders in the form of a separate resolution;

(XI) other matters authorized by the board of directors and those covered by laws and regulations, the Listing Rules of the Hong Kong Stock Exchange and the securities regulatory rules of the place where the Company's shares are listed.

The Nomination Committee shall review whether candidates for directors meet the qualifications for the position. When the Company discloses information about candidates for directors, it shall also disclose the review opinion of the Nomination Committee of the board of directors. The Nomination Committee shall also evaluate the qualifications of directors and senior management and, if found to be ineligible, promptly recommend to the board of directors their dismissal.

Article 9 The Nomination Committee shall be accountable to the board of directors, and proposals of the committee shall be submitted to the board of directors for consideration and decision. Without sufficient reasons or reliable evidence, the controlling shareholders shall fully respect the recommendations of the Nomination Committee; otherwise, they cannot propose alternative candidates for directors and managers.

Where the board of directors does not adopt, or does not fully adopt, the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting in the board resolution and make a disclosure.

Chapter IV Decision-making Procedures

Article 10 The Nomination Committee shall study the election conditions, selection procedures and terms of office for the Company's directors and management members in accordance with relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, taking into account the actual circumstances of the Company. After forming a resolution, it shall be filed and submitted to the board of directors for approval and shall be implemented accordingly.

Article 11 Procedures for the selection and appointment of directors and management:

(I) the Nomination Committee shall actively communicate with the relevant departments of the Company to study the Company's needs for new directors and management members, and produce written materials;

(II) the Nomination Committee may conduct extensive searches for candidates for directors and managers within the Company, its holding (participating) companies and the talent market;

(III) to gather information about the preliminary candidate's occupation, education, title, detailed work experience, all part-time jobs, etc., and produce written materials;

(IV) to seek the consent of the nominee to the nomination, otherwise the nominee shall not be considered as a candidate for the position of director or manager;

(V) to convene a meeting of the Nomination Committee to review the qualifications of the preliminary candidates in accordance with the conditions for the appointment of directors and managers, and produce specific review comments;

(VI) to submit proposals and relevant materials to the board of directors on candidates for directors and new managers prior to the election of a new director and the appointment of a new management member;

(VII) to conduct other follow-up work based on the decisions and feedback of the board of directors.

Chapter V Rules of Procedure

Article 12 The Nomination Committee shall meet at the request of the board of directors or in response to the proposal by the members of the Nomination Committee, and all members shall be notified three days prior to the meeting. The meeting notice may be given by personal delivery, mail, email, fax, telephone, SMS, WeChat or other means; provided that in special circumstances, immediate notice shall be given and the meeting shall be held in a timely manner. Meetings shall be chaired by the chairperson of the committee. If the chairperson of the committee is unable to attend, he/she may delegate another member (an independent director) to chair the meeting.

Article 13 Meetings of the Nomination Committee shall be held only when attended by two-thirds or more of the members. Each member shall have one vote. Resolutions passed at a meeting must be approved by more than half of all members.

Article 14 Voting at meetings of the Nomination Committee shall be conducted by a show of hands or by poll. Meetings may also be held by means of voting by communication.

Article 15 The Nomination Committee may invite other directors and other senior management of the Company to attend the meeting as observers when necessary.

Article 16 If necessary, the Nomination Committee may engage intermediaries to provide professional advice for its decision-making, at the expense of the Company.

Article 17 The procedures for convening meetings of the Nomination Committee, the voting methods, and the resolutions passed at the meetings must comply with the provisions of relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, and these terms of reference.

Article 18 Minutes shall be taken for meetings of the Nomination Committee. Members attending the meeting shall sign the minutes. The minutes of meetings shall be kept by the secretary to the board of directors of the Company.

Article 19 Resolutions passed and voting results at meetings of the Nomination Committee shall be reported in writing to the board of directors of the Company.

Article 20 All members attending the meetings shall owe a duty of confidentiality with respect to the matters discussed at the meetings and shall not disclose relevant information without authorization.

Chapter VI Supplementary Provisions

Article 21 These terms of reference shall take effect and be implemented upon their approval by the board of directors of the Company and from the date on which the overseas-listed shares (H Shares) issued by the Company are listed on the main board of the Hong Kong Stock Exchange. Upon the implementation of these terms of reference, the Company's original Terms of Reference of the Nomination Committee of the Board of Directors shall automatically cease to have effect.

Article 22 Matters not covered by these terms of reference shall be handled in accordance with the provisions of relevant national laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. In the event of any conflict between these terms of reference and any national laws or regulations promulgated in the future, the 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 national laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association shall prevail, and these terms of reference shall be amended immediately and submitted to the board of directors for consideration and approval.

Article 23 Unless otherwise required by these terms of reference, the meanings of the terms used herein shall be the same as those of the terms used in the Articles of Association.

Article 24 The board of directors of the Company shall be responsible for the interpretation of these terms of reference.