BEIJING SINOTAU INTERNATIONAL PHARMACEUTICAL TECHNOLOGY CO., LTD.
北京先通國際醫藥科技股份有限公司
TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

CHAPTER 1 GENERAL PROVISIONS

Article 1 To regulate the selection and appointment of senior management, enhance the Company's core competitiveness, and improve its corporate governance structure, the Nomination Committee is hereby established under the Board of Directors of Beijing Sinotau International Pharmaceutical Technology Co., Ltd. (the "Company") and these Terms of Reference are formulated in accordance with the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Articles of Association of Beijing Sinotau International Pharmaceutical Technology Co., Ltd. (the "Articles of Association") and other applicable regulations.

Article 2 All members of the Nomination Committee shall be directors, among whom independent non-executive directors shall constitute a majority. The chairman (convener) shall be an independent non-executive director member or the chairman of the Board of Directors.

CHAPTER 2 TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

Article 3 The Nomination Committee of the Board of Directors is a specialized body established under the Board of Directors, primarily responsible for studying the candidates, selection criteria and procedures for directors of the Company and senior management who are to be appointed or dismissed by the Board of Directors, and making recommendations to the Board of Directors.

Article 4 Personnel composition:

(I) The Nomination Committee shall comprise no less than three directors, among whom independent non-executive directors shall constitute a majority, and at least one director of a different gender shall be included.

(II) Candidates for members of the Nomination Committee and its working group shall be nominated by the chairman of the Board of Directors, not less than one-half of the independent non-executive directors, or not less than one-third of all the directors, and shall be elected by the Board of Directors.

(III) The Nomination Committee shall have one chairman (convener), who shall be an independent non-executive director member or the chairman of the Board of Directors and shall be responsible for presiding over the work of the committee. The chairman shall be elected from among the members and shall be appointed upon the approval of the Board of Directors.

(IV) The term of office of the Nomination Committee shall coincide with that of the Board of Directors. Members may be re-elected upon the expiry of their term of office. During a member's term of office, if the member ceases to be suitable to serve as a director of the Company, or if a member who is required to have the status of an independent non-executive director ceases to possess the independence prescribed by relevant laws, regulations, rules, regulatory documents or the Articles of Association, such member shall automatically lose his/her committee membership, and the Board of Directors shall fill the vacancy in accordance with these Terms of Reference.

(V) If a director's term of office expires and a successor is not elected in time, the incumbent director serving as a member of the Nomination Committee shall still perform his/her duties in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the Articles of Association and these Terms of Reference until the newly elected director takes office.

Article 5 Duties and responsibilities:

(I) The primary duties and responsibilities of the Nomination Committee include:

1. Formulating and reviewing the Board diversity policy, reviewing the structure, size and composition of the Board (including the skills, knowledge and experience) at least annually, assisting the Board in preparing a Board skills matrix, making recommendations to the Board on the size and composition of the Board based on the Company's business activities, asset scale and shareholding structure, and making recommendations on any proposed changes to the Board to complement the Company's strategy; when considering the composition of the Board, ensuring that the Board maintains a balanced composition of executive directors, non-executive directors and independent non-executive directors, and considering Board diversity from multiple perspectives, including but not limited to the gender, age, cultural and educational background and professional experience of directors, and ensuring that the summary of the Board diversity policy, the review results of the gender ratio of senior management and all employees and the implementation of the diversity policy during the reporting period

are disclosed in the Corporate Governance Report, including but not limited to the progress on achieving the Company's measurable objectives (such as target numbers and timelines) and the measures for a diverse director succession pool;

2. Identifying individuals suitably qualified to become directors and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;

3. Assessing the independence of independent non-executive directors, reviewing annually the time required to be committed by non-executive directors (including independent non-executive directors), and evaluating through performance assessment whether non-executive directors (including independent non-executive directors) have devoted sufficient time to fulfilling their responsibilities;

4. Making recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors (in particular the chairman and the president);

5. Supporting the Company in regularly assessing the performance of the Board, evaluating the time devoted by and contributions made by each director to the Board, taking into account the director's professional qualifications and work experience, time commitment to other significant external affairs, and other factors relating to each director's character, integrity, independence and experience, and disclosing the assessment results; and

6. Dealing with other matters as authorized by the Board of Directors.

(II) The Nomination Committee shall be accountable to the Board of Directors, and its proposals are submitted to the Board of Directors for consideration and decision.

If an independent non-executive director has served for more than nine years, his/her re-appointment shall be subject to approval by shareholders by way of a separate resolution. The documents sent to shareholders together with such resolution shall set out the reasons why the Board of Directors (or the Nomination Committee) considers that such person remains independent and should be re-elected.

In the performance of its duties by the Nomination Committee, the relevant departments of the Company shall provide cooperation, and the daily operating expenses of the Nomination Committee shall be borne by the Company.

Article 6 Working procedures:

(I) The Nomination Committee shall, in accordance with the provisions of relevant laws and regulations and the Articles of Association, and in light of the actual circumstances of the Company, study the qualifications, selection procedures and terms of office for directors and senior management of the Company, and upon forming a resolution, file the same and submit it to the Board of Directors for approval, and shall implement the same accordingly.

(II) Procedures for the selection and appointment of directors and senior management:

1. The Nomination Committee shall, after communicating with the relevant departments of the Company and studying the Company's needs for new directors and senior management, form written materials;

2. The Nomination Committee may extensively search for candidates for directors and senior management within and outside the Company and enterprises in which the Company holds a controlling or other equity interest;

3. Collecting information such as the occupation, educational background, professional titles, detailed work experience and all part-time positions of the preliminary candidates, and forming written materials;

4. Seeking the consent of the nominees to their nomination, failing which they shall not be treated as candidates for directors or senior management;

5. Convening a meeting of the Nomination Committee to conduct a qualification review of the preliminary candidates in accordance with the qualifications for directors and senior management;

6. Before the election of new directors and the appointment of new senior management, making recommendations to the Board of Directors on the candidates for directors and the candidates for newly appointed senior management, together with relevant materials;

7. Carrying out other follow-up work in accordance with the decisions and feedback of the Board of Directors.

Article 7 Rules of procedure:

(I) The Nomination Committee shall convene a meeting upon the request of the Board of Directors or the proposal of the chairman of the Nomination Committee, and shall issue a notice by communication, email or fax three (3) days prior to the meeting. With the consent of all members, the aforesaid notice period may be waived, provided that the chairman shall give an explanation at the meeting and provide members with a sufficient basis for exercising their voting rights. The meeting shall be chaired by the chairman, and if the chairman is unable to attend, he/she may entrust another member (who shall be an independent non-executive director) to chair the meeting. Meetings of the Nomination Committee shall be held as on-site meetings or in any other manner recognized by all members. On the premise of ensuring that members can fully express their opinions, the internet, telephone, video and other means may be adopted to facilitate members' participation in the meeting; where a member participates in a Nomination Committee meeting via the internet, telephone, video or other means, he/she shall be deemed to have attended an on-site meeting.

(II) A committee meeting shall be held only if not less than two-thirds (2/3) of all members (including two-thirds) are present; each member shall have one vote; resolutions made at the meeting shall be approved by more than half of all members.

(III) Members of the Nomination Committee shall attend Nomination Committee meetings in person. If a member is unable to attend for any reason, he/she may entrust another member in writing to attend on his/her behalf. If a member neither attends a Nomination Committee meeting nor entrusts a representative to attend, he/she shall be deemed to have waived his/her voting rights at that meeting. The meeting agenda and all relevant meeting documents shall be delivered to all committee members and, where appropriate, other persons attending the meeting in a timely manner in accordance with these Terms of Reference. Members shall fully read the meeting materials prior to the meeting.

(IV) Voting at Nomination Committee meetings shall be by show of hands or by ballot. Interim meetings may, on the premise of ensuring that members can fully express their opinions, be held by telephone, fax, email or other electronic means of communication, and resolutions may be adopted thereat, which shall be signed by the attending members.

(V) The Nomination Committee may, when necessary, invite directors and other senior management of the Company to attend its meetings as non-voting delegates.

(VI) If necessary, the Nomination Committee may engage intermediary institutions to provide professional advice on its decisions at the expense of the Company.

(VII) The convening procedures, voting methods and resolutions adopted at Nomination Committee meetings shall comply with the provisions of relevant laws, regulations, the Hong Kong Listing Rules, the Articles of Association and these Terms of Reference.

(VIII) The meetings of the Nomination Committee shall be arranged by the secretary to the Board of Directors of the Company. Minutes of meetings shall be kept with sufficient details of the matters considered and the resolutions passed at the meeting, including any doubts raised or objections expressed by members. The minutes of the meetings shall be signed by members present at the meetings, and the complete minutes of the committee shall be maintained by the duly appointed secretary to the committee (usually the company secretary) for a period of ten (10) years. The draft and final versions of the minutes shall be sent to all committee members within a reasonable time after the meeting, with the draft for members to express their views and the final version for record purposes. Directors of the Company may inspect the minutes at a reasonable time upon giving reasonable notice.

(IX) The resolutions adopted and the voting results at Nomination Committee meetings shall be reported in writing to the Board of Directors of the Company.

(X) Members attending the meeting and non-voting delegates shall be obliged to keep confidential the matters considered at the meeting and shall not disclose relevant information without authorization.

(XI) Where a member of the Nomination Committee, his/her immediate family member, or any other enterprise controlled by a member of the Nomination Committee and his/her immediate family member, has a direct or indirect interest in the matters to be discussed at a meeting, such member shall, as soon as possible, disclose to the Nomination Committee the nature and extent of such interest.

(XII) In the circumstances referred to in the preceding paragraph, the interested member shall abstain from voting at the meeting of the Nomination Committee on his/her own initiative. However, if the other members of the Nomination Committee unanimously agree after discussion that such interest will not have a material impact on the matter to be voted on, the interested member may participate in the voting.

(XIII) If the Board of Directors of the Company considers it inappropriate for the interested member referred to in the preceding paragraph to participate in the voting, it may revoke the voting results of the relevant resolution and require the non-interested members to vote again on the relevant resolution.

(XIV) The Nomination Committee shall, without counting the interested member(s) towards the quorum, consider and resolve on the proposal. If, after the interested member(s) abstain(s) from voting, the Nomination Committee does not have the minimum quorum required for the meeting, a resolution shall be made by all members (including the interested member(s)) on procedural matters such as submitting the proposal to the Board of Directors of the Company for consideration, and the Board of Directors shall consider the proposal.

(XV) The minutes and resolutions of the Nomination Committee meetings shall set out the circumstances where the interested member(s) were not counted towards the quorum and did not participate in the voting.

CHAPTER 3 SUPPLEMENTARY PROVISIONS

Article 8 Matters not covered in these Terms of Reference shall be implemented in accordance with relevant national laws and regulations, the Hong Kong Listing Rules and the Articles of Association. In case of any conflict between these Terms of Reference and the relevant provisions of the laws and regulations promulgated by the PRC in the future, the Hong Kong Listing Rules or the Articles of Association as amended under lawful procedures, the relevant provisions of national laws and regulations and the Articles of Association shall prevail, and these Terms of Reference shall be amended accordingly and submitted to the Board of Directors for consideration and approval.

Article 9 These Terms of Reference shall come into effect on the date on which the Company's initial public offering of overseas-listed foreign shares (H shares) is completed and such shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited, after being considered and approved by the Board of Directors of the Company.

Article 10 Unless otherwise specified, terms used herein shall have the same meanings as those in the Articles of Association. These Terms of Reference shall be formulated and amended by the Board of Directors of the Company, and the right to interpret them shall vest in the Board of Directors.