

Guoxia Technology Co., Ltd.

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

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the election of directors and senior management of Guoxia Technology Co., Ltd. (hereinafter referred to as the “Company”), optimize the composition of the board of directors and improve its corporate governance structure, the Company has established the Nomination Committee of the Board and formulated these Rules of Procedure pursuant to 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”), Articles of Association of Guoxia Technology Co., Ltd. (hereinafter referred to as the “Articles of Association”) and other relevant regulations.

Article 2 The Nomination Committee is a special working body set up by the Board, which is mainly responsible for matters such as selecting and making recommendations on the candidates for Directors, general manager and other senior management of the Company and formulating the selection criteria and procedures.

Senior management as referred herein shall refer to the general manager, deputy general managers, chief financial officer and other senior management of the Company as specified in the Articles of Association.

Article 3 The provisions of the Company Law and the Articles of Association in relation to the obligations of the directors apply to the members of the Nomination Committee.

CHAPTER 2 COMPOSITION

Article 4 The Nomination Committee shall consist of at least three directors and at least one director of a different gender, of which a majority of whom shall be independent non-executive directors.

Article 5 Members of the Nomination Committee shall be nominated by the chairperson of the Board, more than half of the independent non-executive Directors or more than one-third of all Directors, and elected by the Board.

Article 6 The Nomination Committee shall have a chairperson who shall be an independent non-executive director or chairperson of the Board. The chairperson shall be responsible for leading the work of the Nomination Committee and act as a convener. The chairperson of the Nomination Committee shall be elected by the members of the Nomination Committee and approved by the Board.

Article 7 The term of office of the Nomination Committee shall be the same as that of the Board. Each member of the Nomination Committee shall be eligible for re-election upon expiry of his or her term of office. During his/her term of office, if any member ceases to be a director, his/her membership shall lapse automatically, and the vacancy shall be filled by the Committee in accordance with Articles 4 to 6 above.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 8 The major duties and powers of the Nomination Committee are:

- (I) To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix and make recommendations to the board of directors on any proposed change in light of the business operation, scale of assets and shareholding structure as well as strategies of the Company; In considering the composition of the Board, to ensure that the Board has a balanced composition of executive and non-executive Directors (including independent non-executive Directors), and to consider the diversity of the Board from multiple aspects, including but not limited to the gender, age, cultural and educational background and professional experience of the Directors; To develop and review the Board Diversity Policy and disclose the Policy or a summary of the Policy in the Corporate Governance Report;
- (II) To study the criteria and procedures for selecting Directors, managers and other senior management, and make recommendations to the Board;
- (III) To extensively search for qualified candidates for Directors, managers and other senior management, and select and nominate the relevant candidates to serve as Directors or provide advice to the Board in this regard;
- (IV) To assess the candidates for Directors (including independent non-executive Directors) and senior management, and make written recommendations to the Board;
- (V) To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors (especially the chairperson) and the general manager;

- (VI) To assess the independence of independent non-executive Directors, to review the time commitment required of non-executive Directors (including independent non-executive Directors) once a year, and to assess whether non-executive Directors (including independent non-executive Directors) have spent enough time on their duties through performance appraisal;
- (VII) To support the Company's regular evaluation of the Board performance;
- (VIII) To ensure that the non-executive directors receive a formal appointment letter setting out clearly the requirements for the non-executive directors in terms of time commitment, services to the committee and participation other than board meetings upon the appointment to the board of directors; and
- (IX) To assume duties and authority prescribed by laws, administrative regulations, departmental regulations, regulatory documents, the listing rules of the stock exchange where the shares of the Company are listed, the Articles of Association, and other matters authorized by the Board, and report to the Board on matters within the term of reference of the committee, including decisions or recommendations made by the committee.

Article 9 The Nomination Committee is accountable to the Board and the proposals submitted by the Nomination Committee shall be submitted to the Board for consideration and approval.

Article 10 The Board shall fully respect the recommendations of the Nomination Committee on the nomination of candidates for Directors and the general manager, the recommendations of the Nomination Committee regarding the nomination of director candidates and general manager candidates shall not be put on hold without sufficient reasons or reliable evidence.

If an independent non-executive director serves more than 9 years, his/her further appointment should be subject to a separate resolution to be approved by shareholders. The documents accompanying that resolution to shareholders shall state the reasons for the Board (or the Nomination Committee) to believe that the director remains independent and shall be re-elected, including the factors considered, the procedures and the discussion of the Board (or the Nomination Committee) in arriving at such decision.

Article 11 When the Nomination Committee performs its duties, the relevant departments of the Company shall cooperate, and the daily operating expenses incurred by the Nomination Committee shall be borne by the Company.

CHAPTER 4 DECISION-MAKING PROCEDURES

Article 12 The Nomination Committee shall, in accordance with the relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, and in light of the Company's actual circumstances, study the selection criteria and procedures of the Directors and senior management of the Company, and form a resolution which shall be submitted to the Board for approval.

Article 13 The selection procedures of directors and senior management are as follows:

- (I) The Nomination Committee shall actively communicate with the relevant departments of the Company to study the demand of the Company for new directors and senior management and to produce the result in writing;
- (II) The Nomination Committee may extensively search for candidates for Directors and senior management internally within the Company, its controlled enterprises, and from the labor market;
- (III) Collect information about the preliminary candidates, including their career background, educational qualifications, professional titles, detailed work experience, and all part-time positions, and compile such information into written materials;
- (IV) Solicit the nominee's opinions and requirements on the nomination, and the nominee cannot be selected as a candidate of director or senior management officer without the nominee's consent;
- (V) Convening the meeting of the Nomination Committee to review the qualifications of the candidates on the criteria for Directors and senior management members;
- (VI) One to two months prior to the election of new directors and the appointment of new senior management, proposals and relevant materials for director candidates and new senior management personnel shall be submitted to the Board;
- (VII) Completing other follow-up work according to the decision and feedback from the Board.

Article 14 Where the Board intends to propose a resolution to elect an individual as an independent non-executive director at the general meeting, the following shall be set out in the circular to shareholders and/or explanatory statement attached to the notice of the relevant general meeting: (a) the process used for identifying the individual, the reasons why the Board believes the individual shall be elected and why the Board considers the individual to be independent; (b) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board; (c) the perspectives, skills and experience that the individual can bring to the Board; and (d) how the individual contributes to diversity of the Board.

CHAPTER 5 MEETING PROCEDURES

Article 15 The Nomination Committee shall hold meetings from time to time according to the needs of the Company. All members shall be notified three days prior to the meeting. The meeting shall be presided over by the chairperson. If the chairperson is unable to attend the meeting, he/she may appoint another member (who shall be an independent non-executive Director) to preside over the meeting. If the chairperson neither performs his/her duties nor designates another member to perform his/her duties on his/her behalf, any member may report the relevant situation to the Board, and the Board shall designate a member to perform the duties of the chairperson.

Article 16 The quorum of a Nomination Committee meeting shall be more than two-thirds of its members, each of whom shall have one vote. Resolutions adopted at the meeting must be approved by a majority of all committee members.

An meeting of the Nomination Committee may be held by way of written resolutions. The written proposals shall be delivered to all committee members by means of fax, express mail or personal delivery, etc. After the members have voted on the resolution, the original resolution shall be mailed back to the Company for filing. A proposal signed by consenting members satisfying the threshold hereunder shall become a resolution of the committee.

Article 17 Voting at the meeting of the Nomination Committee shall be taken by a show of hands or by poll. An extraordinary meeting may be convened in the form of vote by correspondence.

Members of the Nomination Committee may attend the meeting in person or appoint other members in writing to attend the meeting and exercise voting rights on their behalf. If a member of the Nomination Committee authorizes another member to attend the meeting and exercise voting rights on his/her behalf, he/she shall submit a power of attorney to the chairperson of the meeting, which shall specify the scope of authorization. The power of attorney shall be delivered to the chairperson of the meeting no later than the time of voting at the meeting.

Article 18 The Nomination Committee may invite Directors, supervisors or other senior management of the Company to attend its meetings where necessary.

Article 19 If necessary, the Nomination Committee may engage an intermediary institution to provide professional opinions on its decision at the costs of the Company.

Article 20 The convening procedures, voting methods and passing of resolutions of the meetings of the Nomination Committee shall comply with the relevant laws, regulations, the relevant provisions of the stock exchange where the shares of the Company are listed, the Articles of Association and these Terms of Reference.

Article 21 The Nomination Committee shall keep meeting minutes, which shall record the matters considered and resolutions passed at the meetings in detail, including any doubts or objections raised by members, and shall be circulated to every member for review and confirmation. The meeting minutes shall be signed by the members attending the meetings.

Article 22 Proposals and voting results adopted at the meetings of the Nomination Committee shall be reported to the Board of the Company in writing.

Article 23 Members present at a meeting shall keep confidential of all matters discussed at the meeting and shall not disclose such information without authorization.

Article 24 The Company shall provide the Nomination Committee with sufficient resources to perform its duty. The Nomination Committee shall, when necessary, seek independent professional advice, at the Company's expense, to perform its responsibilities.

CHAPTER 6 ABSTENTION FROM VOTING

Article 25 If a member of the Nomination Committee has a direct or indirect interest in the subject matter discussed at the meeting, such member shall abstain from voting on the relevant resolution.

Where the number of members attending the meeting is less than the quorum specified in these Rules of Procedure after the interested members abstain from voting, all members (including the interested members) shall resolve on procedural issues including submitting the proposal to the Board for consideration. Such proposal shall be considered by the Board.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 26 These Rules of Procedure and any amendments hereto have been considered and approved by the Board and shall take effect from the date of the initial public offering of H Shares of the Company and its listing on The Stock Exchange of Hong Kong Limited.

Article 27 Matters not covered in these Rules of Procedure shall be implemented in accordance with the provisions of the relevant laws and regulations of the PRC, the listing rules of the stock exchange of the place where the shares of the Company are listed and the Articles of Association. In case of any conflict between these Rules of Procedure and laws and regulations promulgated by the PRC from time to time, the listing rules of the stock exchange of the place where the shares of the Company are listed or the Articles of Association as legally amended, the relevant laws and regulations of the PRC, the listing rules of the stock exchange of the place where the shares of the Company are listed and the Articles of Association shall prevail and these Rules of Procedure shall be amended timely.

Article 28 These Terms of Reference shall be interpreted by the Board of the Company.