

# **BUSY MING GROUP CO., LTD.**

## **Rules of Procedure for the Nomination Committee of the Board**

### **Chapter 1 General Provisions**

**Article 1** To regulate the criteria and procedures for nominating directors and senior management of the Company and enhance its corporate governance structure, the Company hereby establishes the Nomination Committee of the Board and formulates these rules of procedure (hereinafter the “Rules of Procedure”), in accordance with the Company Law of the PRC (hereinafter the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter the “Listing Rules of the Hong Kong Stock Exchange”) and its appendices (including but not limited to Appendix C1 to the Listing Rules of the Hong Kong Stock Exchange), the Articles of Association of Busy Ming Group Co., Ltd. (hereinafter the “Articles of Association”), and other relevant regulation.

**Article 2** The Nomination Committee is a specialized working committee established by the Board in accordance with the resolutions of the Board, which is mainly responsible for regulating the selection of the candidates of the directors and senior management of the Company, the selection criteria and procedures, as well as providing recommendations.

### **Chapter 2 Composition**

**Article 3** The Nomination Committee shall comprise at least three directors, the majority of whom shall be independent non-executive directors, including at least one director of a different gender.

**Article 4** The members of the Nomination Committee are elected among the directors and appointed by the Board.

**Article 5** The Nomination Committee shall have one (1) chairperson, who shall be an independent non-executive director or the chairman of the Board of the Company, and shall be responsible for presiding over the work of the Committee. The chairperson shall be elected among the members and reported to the Board for approval.

**Article 6** The term of office of the Nomination Committee shall be identical to that of the Board. A member may be re-elected upon the expiration of his/her term of office. A member of the Committee shall not, before the expiry of his/her term of office, be removed without cause unless he/she is prohibited from holding office under the Company Law, Articles of Association, the Listing Rules of the Hong Kong Stock Exchange or the Rules of Procedure. If a member ceases to be a director of the Company or is no longer fit to be a Committee member during the term of office, he/she shall automatically resign from the Nomination Committee, and the position so vacated shall be filled by the Committee according to the provisions of Article 3 to 5 above.

**Article 7** Where the number of members of the Nomination Committee falls below the required minimum number specified in the Listing Rules of the Hong Kong Stock Exchange due to the resignation or dismissal or other reasons, the Board shall, according to the Listing Rules of the Hong Kong Stock Exchange, immediately state relevant details and reasons for failure to meet the requirement by announcement, and fill the vacancy according to the provisions of the Listing Rules of the Hong Kong Stock Exchange and Articles 3 to 6 of the Rules of Procedure within three months from the date when the aforementioned requirements are not met. The term of office for the member filling the vacancy shall expire at the end of the term when he/she serves as a director.

**Article 8** A member of the Nomination Committee may tender his/her resignation before the expiry of his/her term of office. The relevant requirements under laws, regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Associations in relation to the resignation of directors or independent non-executive directors shall be applicable to the resignation by a member.

### Chapter 3 Duties and Authorities

**Article 9** The functions and powers of the Nomination Committee shall include those set out in the Company Law, the Articles of Association, the Listing Rules of the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the shares of the Company are listed.

**Article 10** The Nomination Committee is responsible for formulating the criteria and procedures for selection of directors and senior management, screening and reviewing the candidates for directors and senior management and their qualifications, as well as making recommendations to the Board on the following issues:

- (1) nominate, appoint or dismiss directors;
- (2) appoint or dismiss senior management;
- (3) in accordance with the Company Law, and taking into account the Company's shareholding structure and other specific circumstance, review at least annually the structure, diversity, and composition (including skills, knowledge, and experience) of the Board; and make recommendations on any changes to the Board to align with the corporate strategy of the issuer. When considering the composition of the Board, the diversity of members should be considered from multiple aspects, including but not limited to the gender, age, cultural and educational background and professional experience of directors;
- (4) formulate and maintain a policy on Board diversity, review and evaluate the implementation of the directors' diversity policy to ensure its continued effectiveness, and amend or recommend amendments to the directors' diversity policy to the Board where necessary. Periodically review and disclose the diversity policy or a summary thereof in the Company's corporate governance report, and disclose the diversity policy or a summary thereof in the Corporate Governance Report within the annual report each year;
- (5) assess the independence of independent non-executive directors;
- (6) assess the number of directorships of other listed companies held by candidates for independent non-executive directors of the Company. An independent non-executive director shall not hold directorships in more than six listed issuers concurrently;
- (7) other matters prescribed by laws, administrative regulations, the China Securities Regulatory Commission (hereinafter the "CSRC"), securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If recommendations of the Nomination Committee are not adopted or fully adopted by the Board, the opinions of the Nomination Committee and the specific reasons thereof shall be recorded in the resolutions of the Board, and shall be disclosed accordingly.

**Article 11** The Nomination Committee is accountable to the Board; proposals made by the Nomination Committee shall be subject to review and determination by the Board. Relevant departments of the Company shall cooperate with the Nomination Committee to perform its duties, and shall provide adequate resources. Expenses to be incurred in the ordinary operation of the Nomination Committee shall be borne by the Company. Where required, the Nomination Committee may engage intermediaries to provide professional advice for its decision-making, with the costs borne by the Company.

**Article 12** The Rules of Procedure concerning the functions and powers of the Nomination Committee do not exclude the right of shareholders individually or collectively holding 1% or more of the shares of the Company to nominate directors, and the right of the general manager of the Company to nominate the deputy general manager, financial controller and other senior management of the Company in accordance with the provisions of the Articles of Association. The procedures for the aforementioned nominations and elections shall be carried out in compliance with relevant regulations.

**Article 13** The Nomination Committee may designate relevant departments and personnel to assist in its work as required.

**Article 14** The Nomination Committee shall review the election criteria, procedures for selection and term of office of the directors and senior management of the Company in accordance with the requirements of relevant laws, regulations, the Articles of Association, the Listing Rules of the Hong Kong Stock Exchange and other securities regulatory rules of the place where the shares of the Company are listed, taking into account the actual conditions of the Company. Any resolution made in this regard shall be filed and submitted to the Board for approval and shall be implemented accordingly.

**Article 15** Selection procedures for directors and senior management include:

- (1) the Nomination Committee shall actively communicate with relevant departments of the Company to study the demand of the Company for new directors and senior management and to produce written materials;
- (2) the Nomination Committee may broadly seek for the candidates for the position of directors and senior management within the Company and the talent market, etc.;
- (3) the Nomination Committee shall obtain information of the occupation, education background, job title, detailed work experience and all the part-time positions of the preliminary candidates for producing written materials;
- (4) the Nomination Committee shall seek for the consent from the nominated candidates on the nomination; otherwise, such nominated candidates shall not be considered as candidates for directors and senior management;
- (5) the Nomination Committee shall convene the meetings to review the qualifications of the preliminary candidates according to the job descriptions of directors and senior management;

- (6) the Nomination Committee shall submit proposals and relevant materials to the Board in respect of candidates for directors and managers prior to the election of new directors and appointment of new managers;
- (7) the Nomination Committee shall carry out other follow-up work based on decisions and feedback of the Board.

## **Chapter 4 Rules of Procedure**

**Article 16** The Nomination Committee shall convene at least one meeting every year. An extraordinary meeting may be proposed by the chairperson, and a notice of meeting shall be served to all members three (3) days prior to convening the meeting. The meeting shall be presided over by the chairperson. If the chairperson is unable to attend the meeting, he or she may appoint another committee member (who shall be an independent non-executive director) to preside over the meeting.

**Article 17** The meetings of the Nomination Committee shall be held only in the presence of two-thirds (including two-thirds) or more of the members. Voting on the resolutions shall be one person, one vote. The resolutions made by the Nomination Committee shall be passed by more than half of all members.

**Article 18** Meetings of the Nomination Committee may be convened either in person or by communication. Voting shall be conducted by ballot.

**Article 19** The Nomination Committee, when necessary, may invite the directors and other senior management of the Company to attend its meetings.

**Article 20** Where required, the Nomination Committee may engage intermediaries to provide professional advice for its decision-making, with the costs borne by the Company.

**Article 21** The procedures for convening meetings of the Nomination Committee, the manner of voting, and the resolutions passed at such meetings must comply with the relevant laws, regulations, securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association, and the provisions of the Rules of Procedure.

**Article 22** The Nomination Committee should keep the minutes of the meetings. The minutes of the meetings shall be signed by the members present at the meetings, and shall be kept by the secretary of the Board of the Company. The draft and final versions of the minutes shall be delivered to all members within a reasonable time after conclusion of such meetings with the draft version to be used for the expression of opinions by the members and the final version to be used as a record. A director of the Company may inspect the meeting minutes at a reasonable time upon giving reasonable notice.

**Article 23** The resolutions approved and the voting results reached at the meetings of the Nomination Committee shall be reported in written form to the Board of the Company.

**Article 24** All members attending the meetings of the Nomination Committee are obliged to keep confidential the matters discussed at the meeting and shall not disclose relevant information without authorization.

## Chapter 5 Supplementary Provisions

**Article 25** The formulation, amendment and interpretation of the Rules of Procedure should be vested in the Board of the Company.

**Article 26** Matters not covered herein shall be subject to relevant national laws and regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association in force at that time. If the Rules of Procedure conflict with relevant national laws and regulations, the Listing Rules of the Hong Kong Stock Exchange in force at that time, or the amended Articles of Association according to legal procedure, such laws and regulations, securities regulatory rules of the place where the shares of the Company are listed, and the provisions of the Articles of Association shall apply, and the Rules of Procedure shall be amended forthwith and submitted to the Board for consideration and approval.

**Article 27** The Rules of Procedure shall, upon the approval of the Board, come into force and effect from the date when the initial public offering of H shares of the Company is filed with the CSRC and listed on The Stock Exchange of Hong Kong Limited.