



Distinct Healthcare Holdings Limited

卓正医疗控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2677)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

Purpose

1. The purpose of the Nomination Committee (the “**Nomination Committee**”) of the board (the “**Board**”) of directors (the “**Directors**”) of Distinct Healthcare Holdings Limited (卓正医疗控股有限公司) (the “**Company**”) is to assist the Board in establishing formal and transparent procedures for appointing new Directors, identifying, considering and recommending to the Board appropriate candidates to serve as Directors, and developing and recommending to the Board nomination guidelines, which shall be consistent with any applicable laws and regulations.

Composition

2. The members of the Nomination Committee shall be appointed by the Board from time to time, and shall comprise a majority of independent non-executive Directors. The Nomination Committee shall also comprise at least one Director of a different gender.
3. The chairperson of the Nomination Committee (the “**Chairperson**”) shall be appointed by the Board and shall be the chairperson of the Board or an independent non-executive Director.

Meetings

4. Unless otherwise stated herein, meetings and proceedings of the Nomination Committee are governed by the provisions contained in the articles of association of the Company (as amended, supplemented or otherwise modified from time to time) (the “**Articles**”) for regulating the meetings and proceedings of Directors.
5. The Nomination Committee shall meet at least once a year.
6. A meeting of the Nomination Committee may be convened by any of its members. An agenda and accompanying meeting papers should be sent, in full, to all members of the Nomination Committee in a timely manner and at least three (3) days before the intended date of a meeting of the Nomination Committee (or other agreed period). The quorum of a meeting of the Nomination Committee shall be any two members of the Nomination Committee.

7. Each member of the Nomination Committee shall have one vote. Subject to the Articles, questions arising at any meeting of the Nomination Committee shall be decided by a majority of votes, and in the case of an equality of votes, the Chairperson shall have a second or casting vote.
8. Members of the Nomination Committee may participate in a meeting of the Nomination Committee by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other at the same time. Participation by a member of the Nomination Committee in a meeting in this manner is treated as presence in person at that meeting.
9. Members of the Nomination Committee shall appoint a secretary of the Committee (the “**Secretary**”) to take minutes. In the absence of the Secretary, his/her delegate or any person elected by the members of the Nomination Committee present at the meeting of the Nomination Committee shall attend the meeting of the Nomination Committee and take minutes. Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairperson or the Secretary of the meeting or succeeding meeting.
10. Full minutes of meetings of the Nomination Committee shall be kept by the Secretary (or any other person as permitted under these Terms of Reference). The minutes shall be open for inspection at any reasonable time upon reasonable notice by any Director.
11. Minutes of meetings of the Nomination Committee shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by the members or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Nomination Committee for their comment and records, respectively, within a reasonable time after a meeting is held.

Annual general meetings

12. The Chairperson shall attend the Company’s annual general meetings and be available to answer questions at such annual general meetings.
13. If the Chairperson is unable to attend an annual general meeting of the Company, he/she shall arrange for another member of the Nomination Committee, or failing this, his/her duly appointed delegate, to attend in his/her place. Such person shall be available to answer questions at such annual general meeting.

Authority

14. The authority of the Nomination Committee shall include such authority as set out in the Corporate Governance Code as contained in Appendix C1 to the Rules Governing the Listing of securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) (the “**Listing Rules**”).
15. The Nomination Committee is authorized by the Board to investigate any activity within these Terms of Reference, and seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Nomination Committee.
16. The Nomination Committee should be provided with sufficient resources to perform its duties, and is authorized by the Board to obtain independent professional advice at the Company’s expense where necessary.

Duties

17. Without prejudice to any requirements under the Listing Rules, the duties of the Nomination Committee shall include:
 - (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assisting the Board in maintaining a Board skills matrix, and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
 - (b) developing criteria for identifying and evaluating candidates for directorships;
 - (c) identifying and evaluating individuals suitably qualified to become Board members, and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
 - (d) assessing the independence of independent non-executive Directors;
 - (e) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, the chairperson of the Board and the chief executive officer of the Company;
 - (f) developing and reviewing the Company’s policy concerning diversity of the Board from time to time;
 - (g) reviewing the diversity of the Board, developing and reviewing measurable objectives for implementing the Company’s policy concerning diversity of the Board, and monitoring the progress on achieving such measurable objectives in order to ensure that the policy remains effective;
 - (h) supporting the Company’s regular evaluation of the Board’s performance; and
 - (i) considering other topics, as defined by the Board.

Reporting procedures

18. Without prejudice to the generality of the duties of the Nomination Committee as set out in these Terms of Reference, the Nomination Committee shall report to the Board on, and keep the Board fully informed of, its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosures due to regulatory requirements).
19. The Nomination Committee shall ensure that the Board as a whole and Directors individually have proper access to reports and other materials related to the Nomination Committee's work. It shall also ensure that such reports and materials are in a form and quality sufficient to enable the Board to make informed decisions on the subject matters, and that queries raised by Directors will be addressed promptly.

Miscellaneous

20. These Terms of Reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including those under the Listing Rules.
21. The Nomination Committee shall make available these Terms of Reference, explaining its role and the authority delegated to it by the Board, by including them on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (www.distinctclinic.com).

(If there is any inconsistency between the English and Chinese versions of these Terms of Reference, the English version shall prevail.)