

# Guangdong Dtech Technology Co., Ltd.

## Terms of Reference of the Nomination Committee

### CHAPTER I GENERAL PROVISIONS

**Article 1** In order to regulate the appointment of senior management of Guangdong Dtech Technology Co., Ltd. (hereinafter referred to as the “Company”), optimize the composition of the board of directors, and improve the corporate governance structure, the Company has specially established the Nomination Committee of the board of directors and formulated these Terms of Reference in accordance with the Company Law of the People’s Republic of China, the Administrative Measures for Independent Directors of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and the Code of Corporate Governance for Listed Companies and other relevant laws and regulations, as well as the provisions of the Articles of Association of Guangdong Dtech Technology Co., Ltd. (hereinafter referred to as the “Articles of Association”).

**Article 2** The Nomination Committee of the board of directors is a specialized working body established by the board of directors in accordance with the resolutions of the shareholders’ meeting, and is primarily responsible for selecting and making recommendations on the candidates, selection standards and procedures for the directors and senior management of the Company.

### CHAPTER II COMPOSITION

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

**Article 4** Members of the Nomination Committee shall be nominated by the chairman of the board of directors, more than one-half of the independent directors or more than one-third of all directors, and elected by the board of directors.

**Article 5** The Nomination Committee shall have a chairman (convener), who shall be an independent director and be responsible for presiding over the work of the Committee; the chairman shall be elected from among the members and the appointment shall be subject to the approval of the board of directors.

**Article 6** The term of office of the Nomination Committee shall be consistent with the term of office of the board of directors, and members may serve consecutive terms if re-elected. If during the term, any member ceases to serve as a director of the Company, he or she shall automatically lose his or her membership, and the Committee shall fill the vacancy in accordance with Articles 3 to 5 above.

### CHAPTER III DUTIES AND POWERS

**Article 7** The Nomination Committee is responsible for formulating the selection criteria and procedures for directors and senior management, and for selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

- (I) nomination or removal of directors;
- (II) hiring or dismissing senior management;
- (III) other matters stipulated by laws, administrative regulations, the rules of China Securities Regulatory Commission and the Articles of Association.

Where the board of directors fails to adopt or fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for non-adoption in the resolutions of the board of directors, and make disclosures.

In addition, the Nomination Committee shall also perform the following duties:

- (I) to review the structure, size and composition (including in terms of skills, knowledge and experience) of the board of directors at least annually and assist the board of directors in preparing a board skills matrix;
- (II) to identify individuals suitably qualified to become board members;
- (III) to assess the independence of independent directors;
- (IV) to support the Company in conducting regular evaluations of the performance of the board of directors.

**Article 8** The Nomination Committee shall review the qualifications of the nominated candidates for independent directors and form clear review opinions.

**Article 9** The Nomination Committee shall be accountable to the board of directors. The proposals of the Nomination Committee shall be submitted to the board of directors for consideration and decision. The controlling shareholder(s) shall fully respect the recommendations made by the Nomination Committee in the absence of sufficient reason or reliable evidence to the contrary; otherwise, no alternative candidates for directors or senior management personnel shall be proposed.

## CHAPTER IV DECISION-MAKING PROCEDURES

**Article 10** The Nomination Committee shall, in accordance with the provisions of relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and taking into account the actual circumstances of the Company, study the election criteria, selection procedures and term of office of the directors and senior management of the Company, form resolutions for filing and submission to the board of directors for approval, and shall comply with and implement such resolutions.

**Article 11** The selection procedures of the directors and senior management:

- (I) the Nomination Committee shall actively communicate with relevant departments of the Company to study the Company's requirements for new directors and senior management, and prepare written materials;
- (II) the Nomination Committee may extensively search for candidates for directors and senior management within the Company and its holding (or equity-participating) enterprises as well as in the talent market;
- (III) to collect information on the shortlisted candidates' profession, education, professional title, detailed work experience, and all concurrent positions, and prepare written materials;
- (IV) to obtain the consent of the nominee to the nomination, otherwise he or she cannot be considered as a candidate for director or senior management;
- (V) to convene meetings of the Nomination Committee and review the qualifications of the shortlisted candidates based on the conditions for appointment of directors and senior management members.

**Article 12** The Nomination Committee shall, one to two months prior to the election of new directors and the appointment of new senior management, submit recommendations and related materials of candidates for directors and senior management to the board of directors.

**Article 13** The Nomination Committee shall conduct other follow-up work in accordance with the decisions and feedback of the board of directors.

## CHAPTER V RULES OF PROCEDURE

**Article 14** The Nomination Committee shall convene meetings as and when necessary. A meeting shall be notified to all members three days prior to the convening of the meeting, provided that the aforementioned notice period may be waived under particularly urgent circumstances. Meetings of the Nomination Committee shall be chaired by the chairman of the Committee. If the chairman is unable to attend, he/she may delegate another independent director member to chair the meeting.

**Article 15** A meeting of the Nomination Committee shall be held only if it is attended by more than two-thirds of the members; each member shall have one vote; resolutions made at the meeting must be passed by a majority of all members. When the Nomination Committee discusses any matter relating to a member of the Committee at a meeting, such member shall recuse himself/herself.

**Article 16** The voting method at Nomination Committee meetings shall be by a show of hands or by poll; extraordinary meetings may be convened and held by way of voting by correspondence.

**Article 17** Directors and senior management personnel of the Company may be invited to attend the meetings of the Nomination Committee as non-voting observers if necessary.

**Article 18** If necessary, the Nomination Committee may engage intermediary agencies to provide professional advice for its decision-making, and the fees shall be borne by the Company.

**Article 19** The convening procedures, voting methods and resolutions passed at meetings of the Nomination Committee 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 20** Minutes shall be kept for all meetings of the Nomination Committee. The members attending the meeting shall sign the minutes, which shall be kept by the secretary to the board of directors.

**Article 21** The proposals passed at a meeting of the Nomination Committee and the voting results thereon shall be reported to the board of directors in writing.

**Article 22** All persons present at a meeting are obliged to keep confidential all matters discussed at the meeting and shall not disclose such information without authorisation.

## **CHAPTER VI SUPPLEMENTARY PROVISIONS**

**Article 23** The Nomination Committee may make reference to these Terms of Reference when conducting the review of other senior management personnel who are required to be appointed by the board of directors and when carrying out other relevant work as authorized by the board of directors to the Nomination Committee.

**Article 24** These Terms of Reference have been considered and approved by the board of directors of the Company and shall come into effect on the date on which the H shares issued by the Company are listed on The Stock Exchange of Hong Kong Limited.

**Article 25** Unless otherwise specified, terms used in these Terms of Reference shall have the same meanings as those defined in the Articles of Association. In these Terms of Reference, "independent directors" include "independent non-executive directors" as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**Article 26** Any 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 that these Terms of Reference conflict with any laws, regulations, or securities regulatory rules of the place where the Company's shares are listed subsequently promulgated, or with the Articles of Association as amended through due legal process, the provisions of the relevant national laws, regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall prevail.

**Article 27** The board of directors reserves the right to interpret these Terms of Reference.