



Wuhan Youji Holdings Ltd.

武漢有機控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(the “Company”)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

1. MEMBERSHIP

- 1.1 The nomination committee (the “**Committee**”) shall be appointed by the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. The constitution of the Committee shall comply with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as amended from time to time.
- 1.2 The chairman of the Committee shall be a member of the Committee and should either be the chairman of the Board or an independent non-executive Director.

2. ATTENDANCE AT MEETINGS

- 2.1 The quorum of a meeting of the Committee shall be two members of the Committee, of which at least one should be an independent non-executive Director.
- 2.2 At all times the members of the Committee shall be notified of and be invited to all meetings of the Committee in advance and may attend all the meetings of the Committee.
- 2.3 The company secretary of the Company shall be the secretary of the Committee and shall attend all meetings of the Committee.
- 2.4 Members of the Committee may participate in a meeting of the Committee by electronic means such as telephonic or videoconferencing through which all persons participating in the meeting can hear each other and attendance in a meeting pursuant to this provision shall be counted as physical attendance.

3. FREQUENCY AND PROCEEDINGS OF MEETINGS

- 3.1 Meetings of the Committee shall be held not less than once a year. The chairman of the Committee or any two members of the Committee may request a meeting if they consider that a meeting is necessary. Upon the receipt of such request, the secretary of the Committee shall convene a meeting as soon as reasonably practicable and having regard to the convenience of all members.

- 3.2 Unless otherwise agreed by all the members of the Committee, a meeting shall only be called with at least seven days' prior notice. For regular Committee meetings, and as far as practicable in all other cases, an agenda and accompanying Committee papers should be sent, in full, to all Committee members in a timely manner and at least three days before the intended date of the Committee meeting (or other agreed period).

4. COMMITTEE'S RESOLUTIONS

A resolution in writing signed by all the members of the Committee shall be as valid and effective as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more of the members of Committee. Such resolution may be signed and circulated by facsimile or other forms of electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a meeting of the Board or Committee to be held.

5. AUTHORITY

- 5.1 The Committee is authorized by the Board to review, assess and make recommendations on any issue in these terms of reference of the Committee.
- 5.2 The Committee is authorized by the Board, and at the reasonable expense of the Company, to obtain independent legal or other independent professional advice and to secure attendance of independent professional advisers with the relevant experience and expertise to attend meetings of the Committee if it considers this necessary to perform its duties.
- 5.3 The 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 Stock Exchange of Hong Kong Limited's website and the Company's website. The terms of reference of the Committee shall be provided upon request and the role and function of the Committee should be explained in the corporate governance report in the annual report of the Company.
- 5.4 The Committee shall be provided with sufficient resources to perform its duties.
- 5.5 Where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
- (a) the process used for identifying the individual, why the Board believes the individual should be elected and the reasons why it 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.

6. DUTIES

The duties of the Committee shall be:

- (a) to review the structure, size, composition and diversity (including gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable candidates, the Committee shall consider candidates on merit and against the objective criteria, with due regard for the benefits of diversity on the Board;
- (c) to assess and provide opinions on the independence of independent non-executive Directors; and
- (d) to make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive of the Company. Among others, the appointment or re-appointment of Directors (including independent non-executive Directors) must be recommended by the Committee in accordance with the Listing Rules.

7. REPORTING PROCEDURES

- 7.1 The Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements). At the next meeting of the Board following a meeting or written resolution of the Committee, the company secretary of the Company shall submit to the Board copies of the minutes or written resolutions setting out the findings, recommendations and decisions of the Committee.
- 7.2 Minutes of meetings of the Committee shall be kept by the secretary of the Committee. Such minutes shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by Committee members or dissenting views expressed. The minutes shall be open for inspection at any reasonable time on reasonable notice by any Director. Draft and final versions of minutes of the meetings shall be sent to all Committee members for their comment and records within seven days after the meeting is held.

- 7.3 The chairman of the Committee (or in his absence, another member of the Committee or his or her duly appointed delegate) shall attend the Company's annual general meeting to answer shareholders' questions.
- 7.4 The Committee shall, in the Company's corporate governance report in the annual report, disclose the policy for the nomination of Directors during the year. This includes the nomination procedures and the process and criteria adopted by the Committee to select and recommend candidates for directorship during the year.

8. TERM OF OFFICE

- 8.1 The term of office of the Committee shall be consistent with that of the Board. The term of office of a member is renewable upon re-election. The Board periodically evaluates the independence and performance of the members of the Committee and may, if necessary, replace those members who are unsuitable to continue in office. If any member of the Committee ceases to be a Director or any member who should be an independent non-executive Director no longer possess such independence as required by the Listing Rules, he or she will automatically cease to be a member of the Committee, and the vacancy shall be filled by the person elected by the Board in accordance with the relevant requirements under the Hong Kong Listing Rules. The supplementary member's term of office shall end by the expiry of term of office for his or her serving as Director.
- 8.2 A Committee member may submit resignation to the Board prior to the expiration of his or her term of office. Such resignation shall specify the reasons for the resignation and any matters which would require the attention of the Board. When the number of Committee members falls below the minimum number as provided herein, the resigning member shall continue to perform the duties until the appointment of a new member to fill his or her place.

9. REVISION OF THE TERMS OF REFERENCE

These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (for example, the Listing Rules). Any amendment to these terms of reference shall be by way of resolution of the Board and shall be in full compliance with the Listing Rules and any other regulatory requirements.