



CHINA MEDICAL SYSTEM HOLDINGS LIMITED

康哲藥業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 867)

The Nomination Committee Terms of Reference

(Revised and effective since 31 July 2020)

The nomination **Committee** established in ac **Company** **Group** directors **Board** terms of reference of the Committee (the **Terms of Reference** were revised by the Board on 31 July, 2020. The Terms of Reference are available in English and Traditional Chinese, and the Traditional Chinese version is a translated version for reference only.

1. Composition

- 1.1 The Committee is formed **Director(s)** Committee has at least three members (the **Member(s)**), and most of the Members must be independent non-executive Directors.
- 1.2 The chairman of the Committee is appointed by the Board and must be the chairman of the Board or an independent non-executive Director.
- 1.3 All Members are appointed and dismissed by the Directors themselves. The Board may change the composition of the Committee in response to the Listing Rules of the Stock Exchange of Hong Kong Limited (the **Listing Rules** as amended from time to time or the rules of any other exchange where the are listed or seeking listing, or other laws, regulations and rules recognized by the applicable regulatory authority from time to time.
- 1.4 The company secretary of the Company or its authorized representative is the secretary to the Committee (the **Secretary to the Committee**).

**For identification purpose only*

2. Meeting Proceedings

- 2.1 The quorum for meetings of Committee is two Members, and most of the Members present must be independent non-executive Directors.
- 2.2 The Committee shall meet at least once a year, and additional meetings may be held when circumstances require it.
- 2.3 The meeting can be attended by Members in person, or by telephone or video.
- 2.4 Only Members present at the meeting can be counted as a quorum and have the right to vote. Each Member has one vote, and the Committee's resolution at any meeting must be passed by a majority of the Members present. The written resolution signed by all Members shall have the same legal effect as the resolution passed at a legally convened and held meeting of the Committee.
- 2.5 The chairman or if the chairman is vacant, another Member (must be an independent non-executive Director) should attend the Company's annual general meeting and be prepared to answer questions from shareholders about the activities and duties of the Committee.

3. Authority

- 3.1 All employees of the Group and professional consultants are required to provide the information required by the Committee to perform its duties, prepare and submit reports, attend meetings of Committee and answer related questions.
- 3.2 Review the performance of Directors and the independence of independent non-executive Directors in the appointment or re-appointment of Directors.
- 3.3 Seek legal or other independent professional advice (including independent human resources consulting companies or other independent professionals) on related matters in accordance with the Terms of Reference. If the Committee needs it, outsiders with relevant experience and professional talents can be invited to attend the meeting of Committee. The Committee has the right to conduct investigations (including but not limited to litigation, bankruptcy and reputation checks), report or public solicitation and obtain sufficient resources to perform its duties as it deems necessary to help it perform its duties. The aforementioned costs shall be borne by the Company.

4. Duties

- 4.1 Review the structure, size and composition (including but not limited to skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the strategy.

