



MIGAO GROUP HOLDINGS LIMITED

米高集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 9879)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

The nomination committee (the “**Committee**”) of Migao Group Holdings Limited (the “**Company**”) was established pursuant to a resolution of the board (the “**Board**”) of directors (the “**Directors**”) of the Company on 28 February 2024. Set out below are the terms of reference (the “**Terms of Reference**”) of the Committee. The Terms of Reference are available in viewing in English and Chinese. If there is any inconsistency between the English and Chinese versions of the Terms of Reference, the English version shall prevail.

1. PURPOSE

- 1.1. The purpose of the Committee is to identify, consider and recommend to the board (the “**Board**”) of directors of the Company (the “**Directors**”) appropriate candidates to serve as Directors, to oversee the process for evaluating the performance of the Board, and to develop and recommend to the Board the nomination guidelines, which shall be consistent with any applicable laws, regulations and listing standards.

2. COMPOSITION

- 2.1. The Committee shall consist of at least three members appointed by the Board from time to time and shall consist of a majority of independent non-executive Directors who shall meet the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (as amended from time to time).
- 2.2. The Board shall appoint one member of the Committee as the chairperson (the “**Chairperson**”), who is either the chairperson of the Board or an independent non-executive Director.

3. MEETINGS

- 3.1. Unless otherwise specified hereunder, the provisions contained in the Company’s articles of association (the “**Articles**”) (as amended from time to time) for regulating meetings and proceedings of Directors shall apply to the meetings and proceedings of the Committee.
- 3.2. Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication or in such other manner as the members may agree.

- 3.3. The Committee shall meet at least once annually, or more frequently if circumstances require.
- 3.4. Members of the Committee may be represented at a meeting of the Committee by an alternate appointed by him or her.
- 3.5. The Chairperson shall be responsible for leading the Committee, including scheduling meetings, preparing agendas, and making regular reports to the Board.
- 3.6. A meeting of the Committee may be convened by any of its members.
- 3.7. A quorum shall be two members of the Committee, one of whom shall be an independent non-executive Director.
- 3.8. Unless otherwise agreed by all the members of the Committee, notice of at least seven days shall be given for a regular meeting of the Committee. For all other meetings of the Committee, reasonable notice shall be given. The Chairperson shall determine whether or not a meeting of the Committee is a regular meeting.
- 3.9. The agenda and accompanying supporting papers shall be sent to all members of the Committee and to other attendees as appropriate at least three days before the date of the meeting (or such other period as the members may agree).
- 3.10. Each member shall have one voting right. Subject to the Articles, questions arising at any meeting of the Committee shall be decided by a majority of votes, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 3.11. The members of the Committee shall appoint a secretary of the Committee (the “**Secretary**”) to take minutes. In the absence of the Secretary, his/her delegate(s) or any person elected by the members of the Committee present at the meeting of the Committee, shall attend the meeting of the 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.
- 3.12. Full minutes of meeting of the Committee shall be kept by the Secretary or the company secretary of the Company. They shall be open for inspection at any reasonable time on reasonable notice by any Director.
- 3.13. Minutes of meetings of the Committee and the record of individual attendance at such meetings shall be prepared by the Secretary which shall be sent to all members of the Committee within a reasonable time after the conclusion of any meeting of the Committee for their comment and records. For the purposes of recording attendance only, the attendance of an alternate of members of the Committee will not be counted as attendance by the relevant member of the Committee himself or herself. The minutes of meetings shall record details of the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed.
- 3.14. Without prejudice to any requirement under the Listing Rules, a resolution in writing signed by all of the members of the Committee (or their respective alternate) shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

4. ACCESS

- 4.1. The Committee shall have full access to management and may invite members of management or others to attend its meetings.
- 4.2. The Company should provide the Committee with sufficient resources to perform its duties, including but not limited to obtaining independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.

5. REPORTING PROCEDURES

- 5.1. The Committee shall consult the chairperson of the Board and/or the chief executive officer of the Company about their proposals relating to the selection and appointment of Directors.
- 5.2. The Committee shall evaluate and assess its effectiveness and the adequacy of its Terms of Reference from time to time and recommend any proposed changes to the Board.
- 5.3. 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).
- 5.4. 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 the shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (i) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - (ii) 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;
 - (iii) the perspectives, skills and experience that the individual can bring to the Board; and
 - (iv) how the individual contributes to diversity of the Board.

6. AUTHORITY

- 6.1. The authorities and responsibilities of the Committee shall include such responsibilities and authorities set out in the relevant code provisions of the Corporate Governance Code (the “CG Code”) as contained in Appendix C1 of the Listing Rules (as amended from time to time).
- 6.2. The Committee is authorised by the Board to determine the procedures, process and criteria to be adopted in relation to the selection and recommendation of candidates for directorship. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Nomination Committee.
- 6.3. The management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than is the information provided voluntarily by the management of the Company, the relevant member of the Committee shall make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the management of the Company.

7. RESPONSIBILITIES AND DUTIES

- 7.1. Without prejudice to any requirements under the CG Code, the duties of the Committee shall include the following:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
 - (b) to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
 - (c) to develop and maintain a policy for the nomination of the Directors which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and to review periodically and disclose the policy and progress made towards achieving the objectives set in the nomination policy in the corporate governance report of the Company;
 - (d) to identify individuals who are suitably qualified to become a member (including whether the individuals can bring to the Board the perspectives, skills and experiences and how the individuals can contribute to the diversity of the Board) and to select or make recommendations to the Board on the selection of individuals nominated for directorships with regard to the nomination policy of the Company;

- (e) to assess the independence of independent non-executive Directors with regard to the requirements of the Listing Rules (as amended from time to time);
- (f) to assess the number of directorship of other listed companies held by candidates to be nominated as the independent non-executive Directors. If the candidate will be holding his/her seventh or more listed company directorship, the Board has to be satisfied that the candidate would still be able to devote sufficient time to the Board;
- (g) to make recommendations to the Board on:
 - (i) the role, responsibilities, capabilities, skills, knowledge, experience and diversity of perspectives required from members of the Board;
 - (ii) the composition of the audit committee, remuneration committee and other board committees of the Company;
 - (iii) proposed changes to the structure, size and composition of the Board;
 - (iv) candidate suitably qualified to become members of the board;
 - (v) the selection of individuals nominated for directorship;
 - (vi) the re-election of any Directors who are to retire by rotation having regard to their performance and ability to continue to contribute to the Board;
 - (vii) the continuation (or not) in service of any independent non-executive director serving more than nine years and to provide recommendation to the shareholders of the Company as to how to vote in resolution approving the re-election of such independent non-executive director; and
 - (viii) the appointment or re-appointment of Directors and succession planning for Directors, in particular, the chairperson of the Board and the chief executive of the Company;
- (h) to develop a policy concerning diversity of Board members, and disclose the policy or a summary of the policy in the corporate governance report;
- (i) to review the composition of the members of the sanctions compliance committee of the Company and make necessary adjustments, including the appointment of new members to the sanctions compliance committee, from time to time;
- (j) to review the implementation and effectiveness at least on an annual basis, review and make recommendation to the Board on any proposed changes to the board diversity policy, and report annually in the corporate governance report contained in the Company's annual report, on the Board's composition under diversified perspectives, monitor and evaluate the executive of the board diversity policy and the numerical targets and timelines;
- (k) to consider other matters as designated by the Board from time to time.

7.2. The Committee shall give adequate consideration to the following principles in carrying out its responsibilities:

- (a) the Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, and should ensure that the Directors devote sufficient time and make contributions to the Company that are commensurate with their role and board responsibilities. The Committee should ensure that changes to composition of the Board can be managed without undue disruption; and
- (b) there shall be a formal, considered and transparent procedure for the appointment of new directors. There should be plans in place for orderly succession for appointments. All Directors should be subject to re-election at regular intervals, and the reasons for resignation or removal of any Director must be explained.

8. ANNUAL GENERAL MEETING

8.1. The Chairperson or in his or her absence, another member of the Committee or failing this, his or her duly appointed delegate, shall attend the annual general meeting (the "AGM") of the Company and be prepared to respond to questions at the AGM on the Committee's work and responsibilities.