

Guangzhou Xiao Noodles Catering Management Co., Ltd.

Terms of Reference of the Nomination Committee of the Board of Directors

Chapter 1 General Provisions

Article 1 Guangzhou Xiao Noodles Catering Management Co., Ltd. (hereinafter referred to as the “**Company**”) has established the Nomination Committee of the Board of Directors and formulated the Terms of Reference of the Nomination Committee of the Board of Directors of Guangzhou Xiao Noodles Catering Management Co., Ltd. (hereinafter referred to as the “**Terms of Reference**”) in accordance with the Company Law of the People’s Republic of China and other relevant laws, administrative regulations, normative documents (collectively referred to as the “**National Laws and Regulations**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”) and the Articles of Association of Guangzhou Xiao Noodles Catering Management Co., Ltd. (hereinafter referred to as the “**Articles of Association**”), to regulate the appointment of its directors and senior management, optimize the composition of the Board and senior management, and improve its corporate governance structure.

Article 2 The Nomination Committee of the Board is a specialized working body set up by the Board pursuant to the resolutions of the shareholders’ meeting. The Nomination Committee shall be primarily responsible for assessing and making recommendations on the candidates, selection criteria and procedures for the Company’s directors (including independent non-executive directors, hereinafter the same) and senior management.

Chapter 2 Composition

Article 3 The Nomination Committee shall comprise three directors, two of whom shall be independent non-executive directors.

Article 4 Members of the Nomination Committee shall be elected by the Board.

Article 5 The Nomination Committee shall have one chairperson, who shall be an independent non-executive director and be responsible for presiding over the work of the committee. The chairperson shall be elected among the committee members and his/her appointment shall be approved by the Board.

Article 6 The term of office of the members of the Nomination Committee shall be equivalent to that of the Board. Each member shall be eligible for re-election upon the expiry of his/her term of office. A member shall automatically cease to be a member of the Nomination Committee if, during his/her term of office, he/she ceases to serve as a director of the Company, or a member who should have the status as an independent non-executive director cease to have his/her independence as required by the Hong Kong Listing Rules, and the committee shall fill the vacancy in accordance with the provisions set out in Articles 3 to 5 above.

Article 7 If the composition of the Nomination Committee fails to comply with the provisions set out in these Terms of Reference, the Board shall promptly issue an announcement in accordance with the requirements of the Hong Kong Listing Rules to disclose the details of and reasons for such non-compliance. The Board shall, within three months from the date of such non-compliance, fill the vacancy in accordance with these Terms of Reference. The term of any supplementary member of the committee shall expire at the end of the term of his/her directorship.

Chapter 3 Duties and Authorities

Article 8 The main duties and authorities of the Nomination Committee are as follows:

- (I) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in preparing a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy based on the Company's business operations, asset size and shareholding structure;
- (II) to consider the criteria and procedures for selecting directors and senior management, and make recommendations to the Board;
- (III) to extensively search for qualified candidates for directors and senior management. Identify suitable individuals qualified to become members of the Board and select such individuals for nomination as directors or make recommendations to the Board thereon;
- (IV) to review and make recommendations on the candidates for directors and senior management;
- (V) to review and make recommendations on other senior management personnel whose appointment requires the Board's approval;
- (VI) to assess the independence of independent non-executive directors according to the Hong Kong Listing Rules;
- (VII) to make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairperson of the Board and the chief executive officer;
- (VIII) to develop a policy concerning the diversity of Board members and disclose such policy or a summary of the policy in the corporate governance report;
- (IX) to support the Company's regular evaluation of the Board's performance;
- (X) to assess each director's time commitment and contribution to the Board, as well as the director's ability to discharge his/her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of companies listed on the Main Board of the Hong Kong Stock Exchange and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience;
- (XI) other matters prescribed by National Laws and Regulations, the Hong Kong Listing Rules and these Terms of Reference, and authorized by the Board.

Article 9 The Nomination Committee shall be accountable to the Board. The proposals of the Nomination Committee shall be submitted to the Board for consideration and approval. In the absence of sufficient reasons or reliable evidence, the controlling shareholder(s) should fully respect the recommendations made by the Nomination Committee, otherwise, he/she/they cannot propose alternative candidates for directors and senior management.

Chapter 4 Decision-Making Process

Article 10 The Nomination Committee shall consider the eligibility criteria, selection procedures and terms of office of the Company's directors and senior management in accordance with the provisions set out in relevant laws and regulations, the Hong Kong Listing Rules and the Articles of Association and in light of the actual situation of the Company. Any resolution made in this regard shall be filed and submitted to the Board for approval and shall be implemented accordingly.

Article 11 Selection procedures for directors and senior management:

- (I) the Nomination Committee shall actively communicate with substantial shareholders and relevant departments of the Company to consider the Company's demands for new directors and senior management, and produce written materials;
- (II) the Nomination Committee may search extensively for candidates for directors and senior management within the Company, its controlled enterprises and invested enterprises, and in the talent market, etc.;
- (III) to collect the information on the short-listed candidates' occupation, academic qualifications, job titles, detailed working experience, all concurrent positions, etc., and produce written materials;
- (IV) to obtain consent from the nominated person before nominating them, or otherwise they will not be considered as the candidates for directors and senior management;
- (V) to convene a Nomination Committee meeting to review the qualifications of the short-listed candidates according to the appointment criteria of directors and senior management;
- (VI) to submit to the Board its recommendations and relevant materials concerning the candidates for directors and senior management one to two months prior to the election of such new directors and appointment of such new senior management;
- (VII) to carry out other follow-up work according to the decisions and feedback of the Board.

Chapter 5 Rules of Procedure

Article 12 The Nomination Committee shall convene meetings as and when required for the performance of its duties. If any of the following circumstances occurs, the Nomination Committee shall notify all members three days prior to the meeting. The meeting shall be presided over by the chairperson of the committee. If the chairperson is unable to attend the meeting, he/she may appoint another member who is an independent non-executive director to preside over the meeting.

- (I) when the Board deems it necessary;
- (II) when the chairperson of the Nomination Committee deems it necessary;
- (III) when it is proposed by two or more committee members.

Article 13 The meetings of the Nomination Committee shall only be held when two-thirds or more of its members are present. Each member shall have one vote. Resolutions made at the meetings must be approved by more than half of all members.

Article 14 Decisions in the meetings of the Nomination Committee may be made by a show of hands. Extraordinary meetings may also be conducted by means of correspondence, provided that members are ensured full opportunity to express their opinions.

Article 15 When necessary, the Nomination Committee may invite the Company's directors, supervisors, other senior management members, and external advisors to sit in on its meetings.

Article 16 If necessary, the Nomination Committee may engage intermediary institutions to provide professional advice for its decision-making at the Company's expense.

Article 17 The procedures for convening meetings of the Nomination Committee, voting methods, and the resolutions adopted at the meeting must comply with the National Laws and Regulations, the Hong Kong Listing Rules, the Articles of Association, and these Terms of Reference.

Article 18 The Nomination Committee shall maintain minutes of its meetings. Members present at a meeting and the minute-taker shall sign on the minutes. The minutes of meetings shall be kept by the secretary to the Board.

Article 19 Resolutions adopted at the meetings of the Nomination Committee and the voting results shall be reported to the Board in writing.

Article 20 All members present at the meetings shall be obliged to maintain the matters discussed at the meeting confidential and shall not disclose any related information without authorization.

Article 21 When a member of the Nomination Committee has a direct or indirect interest in the matter discussed at the meetings, such member shall abstain from voting.

Chapter 6 Supplementary Provisions

Article 22 In these Terms of Reference, the term “or more” shall be inclusive of the number itself, while the term “more than” shall be exclusive of the number itself.

Article 23 Matters not covered in these Terms of Reference shall be dealt with in accordance with relevant national laws, regulations, normative documents, relevant regulatory rules of the place where the Company’s shares are listed, and the Articles of Association. In case of any conflict between these Terms of Reference and any national laws, regulations, normative documents, relevant regulatory rules of the place where the Company’s shares are listed as promulgated in the future, or the Articles of Association as amended through legal procedures, the provisions set out in the relevant national laws, regulations, normative documents, relevant regulatory rules of the place where the Company’s shares are listed and the Articles of Association shall prevail. The Board shall promptly amend these Terms of Reference accordingly.

Article 24 The authority of interpretation of these Terms of Reference shall be vested with the Board.

Article 25 As considered and approved by the Board, these Terms of Reference shall take effect and come into force on the date when the Company’s publicly issued H shares are listed and traded on the Main Board of the Hong Kong Stock Exchange.