TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS OF BEIJING TONG REN TANG HEALTHCARE INVESTMENT CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the appointment of directors and senior management of Beijing Tong Ren Tang Healthcare Investment Co., Ltd. (the "**Company**"), to optimize the composition of the Board of Directors (the "**Board**"), and to improve the corporate governance structure, the Company has established the Nomination Committee under the Board pursuant to the resolution of the Board and in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, other relevant laws, regulations, regulatory documents and the Articles of Association of Beijing Tong Ren Tang Healthcare Investment Co., Ltd. (the "**Articles of Association**") applicable to the Company after the issuance of H-shares, and has prepared the Terms of Reference of the Nomination Committee of the Board of Beijing Tong Ren Tang Healthcare Investment Co., Ltd. (the "**Terms of Reference**") based on the actual circumstances of the Company.

Article 2 The Nomination Committee of the Board is a specialized working body established under the Board of the Company, primarily responsible for reviewing the selection, selection criteria, and procedures for the directors (including independent non-executive directors) and senior management of the Company, and providing opinions and recommendations to the Board.

For the purposes of the Terms of Reference, "senior management" refers to the general manager, deputy general manager, secretary to the Board, chief financial officer, and other personnel expressly appointed by the Board as senior management of the Company. The "general manager" as mentioned in the Terms of Reference refers to the "manager" as defined in the Company Law.

CHAPTER 2 COMPOSITION

Article 3 The Nomination Committee shall be composed of three (inclusive) or more directors, with an odd number of members. At least one director of a different gender shall be appointed, and independent non-executive directors shall constitute more than one-half.

Article 4 The members of the Nomination Committee shall be jointly nominated by the chairperson of the Board, or at least one-third of the members of the Board, and shall be elected by a majority of all directors of the Board.

Article 5 The Nomination Committee shall have one convener, being the chairperson of the committee, who shall be the chairperson of the Board or an independent non-executive director, to be appointed and dismissed by the Board and is responsible for overseeing the work of the committee. The chairperson of the Nomination Committee shall be nominated by the chairperson of the Board and approved by the Board. If the chairperson of the committee is unable to or fails to perform duties, an independent non-executive director elected by at least one-half of all members shall perform the duties on his/her behalf. After the proposal for electing members of the Nomination Committee has been approved, the new members of the Nomination Committee shall take office immediately after the conclusion of the meeting of the Board.

The main duties and powers of the chairperson of the Nomination Committee are as follows:

(1) to convene and preside over regular and extraordinary meetings of the Nomination Committee;

(2) to determine the agenda of each meeting of the Nomination Committee;

(3) to sign important documents of the Nomination Committee;

(4) to ensure that the Nomination Committee reaches clear and definite conclusions for each discussed proposal, including the approval, rejection or reconsideration pending supplementary information; and

(5) other duties and powers set out in the Terms of Reference or relevant laws and regulations.

Article 6 The term of office of the Nomination Committee shall be the same as that of the Board. A member may serve consecutive terms if re-elected upon expiry of his/her term of office. During his/her term of office, if any member ceases to be a director of the Company, or any member with the capacity of an independent non-executive director ceases to have the independence as stated in the Company Law, the Articles of Association and the Listing Rules, he/she shall automatically be disqualified as a member of the Nomination Committee. A member may submit his/her resignation report in writing to the Board prior to the expiry of his/her term of office to resign from his/her position in the Nomination Committee. The resignation report shall include a statement of the reasons for such resignation and if necessary the matters that should be brought to the attention of the Board of the Company. In the event that members of the Nomination Committee are disqualified or permitted to resign, the Board shall fill the vacancy in accordance with relevant laws, regulations, regulatory documents and the provisions of Articles 3 to 5 above. When the number of committee members falls below the minimum number of members stipulated in the Terms of Reference, the original members shall continue to perform their duties until the replacement members take office. The term of office for the member filling the vacancy shall expire upon the expiration of his/her term of office as a director or an independent non-executive director. A member of the Nomination Committee shall not, before the expiry of his/her term of office, be relieved of his/her duties without causes except for the situations that prevent such member from holding office as specified in the Company Law, the Articles of Association or the Listing Rules.

Changes to the members of the Nomination Committee may be made during their terms of office as and when proposed by the chairperson of the Board and approved by the Board after discussion.

The secretary to the Board shall be responsible for the liaison of the day-to-day work, organization of meetings, and implementation of resolutions of the Nomination Committee.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 7 The specific duties of the Nomination Committee include but not limited to:

(1) to study and formulate the selection criteria and procedures for directors and senior management and make recommendations to the Board, taking into consideration factors including but not limited to: culture, educational background, and professional experience;

(2) to identify qualified candidates for directorships and make nominations to the Board, review and make recommendations on candidates for directorships of the Company (especially the chairperson of the Board);

(3) to identify and recommend qualified candidates for senior management, review and make recommendations on candidates for senior management of the Company (especially the general manager);

(4) to review the independence of an independent non-executive director and assess the number of directorship of other listed companies held by the independent non-executive director, to ensure that the director (or the candidate) would still be able to devote sufficient time to the Board; to assess the time required for each director to perform his/her duties, to ensure that each director can devote sufficient time and energy to deal with the Company's affairs;

(5) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least once annually, assist the Board in maintaining a board skills matrix and make recommendations on any proposed changes (including the appointment and re-appointment of directors and succession planning of directors (especially the chairperson of the Board and general manager) to the Board to complement the Company's strategy, and to support the issuer's regular evaluation of the performance of the Board;

(6) to formulate, and, where appropriate, review and implement the Board diversity policy adopted by the Board from time to time, review the progress of achieving objectives, and disclose the relevant reviewed policies or their summaries in the Company's annual report;

(7) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the committee should cause to set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:

    1. 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;

2. if the proposed independent non-executive director will serve as a director of the seventh (or above) issuer listed on the Main Board or GEM of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), why the Board believes the individual would still be able to devote sufficient time to perform the duties as a director;

3. the perspectives, skills and experience that the individual can bring to the Board;

4. how the individual contributes to diversity of the Board;

5. other matters that need to be stated from time to time in accordance with relevant laws, administrative regulations, the Listing Rules, the Articles of Association and regulatory requirements.

(8) other matters as required by the relevant laws, administrative regulations, the Listing Rules, the Articles of Association and authorized by the Board.

Article 8 The Nomination Committee may exercise any authority conferred by the Board when it deems necessary. The Company shall provide sufficient resources to the Nomination Committee to perform its duties. Where necessary, the Nomination Committee may engage headhunting firms to assist in searching competent candidates for directors and senior management and engage intermediaries to provide independent and professional opinions on its decision-makings. The duration and costs of services provided by the aforesaid intermediaries shall be determined by the committee and the reasonable costs incurred shall be borne by the Company.

Article 9 The Nomination Committee shall be accountable to the Board, and its recommendations shall be submitted to the Board for consideration and decision. The nomination of candidates for directors, upon approval by the Board, shall be subject to the approval at the general meeting. The controlling shareholder shall fully respect the recommendations of the Nomination Committee in the absence of sufficient reasons or reliable evidence, in which case no alternative candidates for directors or senior management may be proposed.

Article 10 The Nomination Committee shall make available its terms of reference explaining its role and the authority delegated to it by the Board on the websites of the Hong Kong Stock Exchange and the Company.

CHAPTER 4 WORKING PROCEDURES

Article 11 The Company's Human Resource Department shall be under direct leadership of the Nomination Committee. The Securities Affairs Department and the Human Resource Department of the Company, as the executive offices of the Nomination Committee, shall be responsible for organizing meetings of the Nomination Committee, implementing its resolutions, and coordinating with relevant departments to provide necessary materials.

Article 12 Selection procedures of directors and senior management shall be as follows:

(1) the Human Resource Department and the Nomination Committee of the Company shall actively communicate with the relevant departments of the Company, study the Company's demand for new directors and senior management, and prepare written materials;

(2) the Nomination Committee may extensively identify candidates for directors and senior management within the Company and holding (shareholding) enterprises and in the talent market;

(3) the Nomination Committee shall collect and review information such as the occupation, educational background, professional titles, detailed work experience, and all part-time jobs of the primary candidates, and prepare written materials;

(4) to seek the written consent of the nominees to the nomination, otherwise, they shall not be considered as candidates of director or senior management;

(5) to convene a meeting of the Nomination Committee to review the qualifications of the primary candidates according to the eligibility requirements of the directors and senior management;

(6) to submit recommendations and relevant materials to the Board on candidates for directors and candidates for new senior management within a reasonable timeframe prior to the election of new directors and the appointment of new senior management;

(7) to carry out other follow-up works according to the decisions and feedback of the Board.

Article 13 The chairperson of the Nomination Committee or (in his/her absence) another member of the Nomination Committee (who must be an independent non-executive director) is required to attend the annual general meeting of the Company and respond to enquiries from shareholders on the activities and responsibilities of the Nomination Committee.

CHAPTER 5 RULES OF PROCEDURE

Article 14 Members of the Nomination Committee must owe the Company a duty of loyalty and a duty of diligence in accordance with laws and regulations, and the Articles of Association. The recommendations or proposals made at the meetings of the Nomination Committee must comply with the requirements of laws and regulations, and the Articles of Association.

Article 15 The Nomination Committee shall, in accordance with the requirements of laws and regulations, the Listing Rules, and the Articles of Association, and in light of the Company's actual circumstances, study the eligibility criteria, selection procedures, and term of office for directors and senior management, and submit its resolutions to the Board for consideration. If the Board proposes to submit a resolution at the general meeting for the election of a person as an independent non-executive director, the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting shall set out the reasons the Board believes the individual should be elected, and the reasons why the Board considers the individual to be independent.

Article 16 A meeting of the Nomination Committee may be convened if deemed necessary by the chairperson of the committee, upon the proposal of more than half of the committee members, or at the suggestion of the chairperson of the Board. Regular meetings shall be held at least once a year. In principle, all meetings of the Nomination Committee shall be held prior to regular Board meetings.

Article 17 The chairperson of the Nomination Committee shall convene the meeting. The notice of meeting and the meeting materials shall be delivered to all members three days in advance of the meeting. In the event of an emergency requiring the Nomination Committee to convene a meeting promptly, a meeting notice may be issued on the same day by telephone, fax, or email, but the chairperson of the Nomination Committee shall provide an explanation at the meeting. Prior to the meeting, the committee members shall thoroughly read the meeting materials.

Article 18 The chairperson of the Nomination Committee shall preside over the meeting of the committee, and in the event that the chairperson of the committee is unable to attend, another member (independent non-executive director) may be appointed to preside over the meeting.

Article 19 A meeting of the Nomination Committee shall be held only when at least two-thirds of the members are present, and at least one of them must be an independent non-executive director. A member who is unable to attend may appoint another member by a written power of attorney to attend and vote on his/her behalf. The power of attorney shall specify the name of the proxy, the matters delegated, voting instructions for each meeting agenda item (e.g., for, against, or abstention), the scope of authorization, and the validity period, and shall be signed or stamped by the appointer and submitted to the presider of the meeting no later than the time when voting takes place in the meeting. A member who does not attend the meeting of Nomination Committee and does not appoint a proxy to attend shall be deemed to have waived his/her voting rights at that meeting.

Resolutions made at the meeting shall be approved by more than half of all the members, and relevant resolutions or opinions shall be signed by the members of the Nomination Committee attending the meeting. Each member is entitled to one vote, which is divided into three categories, namely "for", "against" and "abstention".

Article 20 Meetings of the Nomination Committee may be convened by appropriate methods and means such as on-site meeting, telephone conference, video conference, circulation of documents, fax and mail.

Article 21 When necessary, meetings of the Nomination Committee may invite the Company's directors and senior management, and external advisors to attend its meetings. Attendees may provide explanations or clarifications on matters discussed at the meetings, but non-members of the Nomination Committee shall have no voting rights.

Article 22 The Company shall provide the Nomination Committee with sufficient resources to perform its duties. If necessary, the Nomination Committee may engage intermediaries to provide professional advice for its decision-making, and any reasonable expenses incurred shall be borne by the Company.

Article 23 The convening procedures, voting methods and resolutions passed at the meetings of the Nomination Committee shall comply with the requirements of laws and regulations, the Listing Rules, the Articles of Association and the Terms of Reference.

Article 24 Meetings of the Nomination Committee shall be recorded, and the members present shall sign the meeting minutes. Attending members shall have the right to request that explanatory notes be added to the minutes regarding their statements made at the meeting. The meeting minutes shall be kept by the secretary to the Board. Resolutions passed at the meetings of the committee and voting results shall be reported to the Board in writing.

Article 25 The Nomination Committee shall reach clear and definite conclusions on the proposals it reviews, including: approval, rejection, or reconsideration pending supplementary information. Resolutions passed at the meetings of the Nomination Committee and voting results shall be reported to the Board of the Company in writing for its consideration.

Article 26 Members present and attendees at the meeting are obliged to keep confidential the matters discussed at the meeting and are not allowed to disclose the relevant information without authorization, unless according to provisions otherwise required by relevant laws and regulations, and/or regulatory authorities.

CHAPTER 6 AVOIDANCE SYSTEM

Article 27 When a member of the Nomination Committee or his/her direct relative, or any company controlled by a member of the Nomination Committee or his/her direct relative has direct or indirect interests in the matters to be discussed at meetings, such member shall disclose the nature and degree of such interests to the Nomination Committee as soon as possible.

Article 28 In the event of any circumstances described in the preceding article, the interested member shall give a detailed explanation of the relevant circumstances at the meetings of the Nomination Committee and clearly indicate that he/she will recuse himself/herself from voting. However, if other members of the Nomination Committee unanimously agree after discussion that such interests will not have a significant impact on the matter to be voted on, the interested member may participate in the voting.

Where the Board of the Company considers it improper for the aforesaid interested member to vote, it may revoke the voting results of the relevant resolution and request the uninterested members to vote again on the relevant resolutions.

Article 29 The meetings of Nomination Committee shall consider and make a resolution on the proposal without counting interested members as a quorum. In case the number of members attending the meetings of the Nomination Committee after the recusal of interested members is less than the minimum quorum, the Board of the Company shall consider such proposals.

Article 30 The minutes of meetings of the Nomination Committee shall include at least the following: the date, venue, and name of the convener of the meeting; the names of the attendees, with special indication if any attendee is attending on behalf of another; the agenda of the meeting; key points of members' remarks; the voting method and result for each resolution or proposal; the name of the minute-taker; and any other matters that should be explained and recorded in the minutes.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 31 Unless otherwise specified, the terms used herein shall have the same meanings as those in the Articles of Association. The phrases "more than" and "within" as referred to herein shall include the number itself, while "majority" shall exclude the number itself.

Article 32 The Terms of Reference shall become effective upon approval by the Board; provided, however, that provisions relating to the Listing Rules shall become effective and be implemented from the date on which the Company's initial public offering of overseas-listed foreign shares (H Shares) is listed and traded on the Hong Kong Stock Exchange. Any amendment to or interpretation of the Terms of Reference shall be done by the Board.

Article 33 Any matter not covered herein shall be implemented in accordance with the relevant laws and regulations, departmental rules, relevant regulatory provisions of the place(s) where the shares of the Company are listed including the Listing Rules and the Articles of Association. Where the Terms of Reference conflict with any relevant laws or regulations, departmental rules, relevant regulatory provisions of the place(s) where the shares of the Company are listed including the Listing Rules, or the Articles of Association, such relevant laws and regulations, departmental rules, relevant regulatory provisions of the place(s) where the shares of the Company are listed including the Listing Rules, and the Articles of Association shall prevail, in which case the Terms of Reference shall be amended accordingly as soon as practicable and submitted to the Board for consideration and approval.