Perfect Optronics Limited
圓美光電有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8311)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

(with effective from 1 July 2025)

Constitution

1. The board of directors (the "**Board**") of Perfect Optronics Limited (the "**Company**") has resolved to establish the nomination committee (the "**Committee**"). The constitution of the Committee shall comply with the requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") from time to time.

Membership

2. The Committee shall consist of not less than three members, appointed by the Board, with a majority of the members being independent non-executive directors of the Company. The Committee shall have at least one member of a different gender.

3. The chairman of the Committee shall be appointed by the Board and shall be either an independent non-executive director of the Company or the chairman of the Board.

4. The term of membership shall be governed by the provisions of the articles of association of the Company (as amended from time to time).

5. Subject to paragraph 2 above, the appointment of the members of the Committee may be revoked and new members can be appointed in their stead by resolutions passed by the Board and by the Committee respectively.

6. No alternate member of any member of the Committee can be appointed.

Frequency and proceedings of meetings

7. The Committee shall meet at least once a year before the holding of the annual general meeting of the Company where the appointment of directors of the Company (the **"Directors"** and each a **"Director"**) will be considered. Additional meetings of the Committee ("**Meeting(s)**") should be held as and when the work of the Committee demands.

8. Members of the Committee may attend Meetings either in person or through other electronic means of communication.

9. The company secretary of the Company or in his absence his representative shall be the secretary of the Committee.

10. The quorum of a Meeting shall be any two of its members of whom at least one is an independent non-executive Director.

11. Proceedings of Meetings shall be governed by the provisions of the articles of association of the Company (as amended from time to time).

Duties, powers and functions

12. The Committee shall –

(a) formulate nomination policy in compliance with the requirements of the GEM Listing Rules including but not limited to the following for consideration of the Board and implement the nomination policy laid down by the Board:

(i) all Directors shall be subject to re-election at regular intervals as required under the articles of association of the Company (as amended from time to time);

(ii) the Company must comply with the disclosure requirements in relation to the appointment, resignation or removal of Directors under the GEM Listing Rules;

(iii) non-executive Directors should be appointed for a specific term, subject to re-election and the Company must disclose the term of appointment of non-executive Directors in the corporate governance report of the Company pursuant to the GEM Listing Rules;

(iv) all Directors appointed to fill a casual vacancy should be subject to election by shareholders of the Company at the first general meeting after their appointment; and every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years; and

(b) without prejudice to the generality of the foregoing:

(i) consider the selection criteria of Directors and develop procedures for the sourcing and selection of members of the Board to be elected by shareholders of the Company. In identifying suitable candidates, the Committee shall consider candidates on merit and against the objective criteria;

(ii) identify and nominate candidates to the Board for it to make recommendations to shareholders of the Company on the appointment or re-appointment of Directors, ensure that sufficient biographical details of nominated candidates shall be provided to the Board and shareholders of the Company to enable them to make an informed decision;

(iii) identify and nominate suitably qualified candidates to become Board members and to fill casual vacancies of Directors for the Board's approval and select or make recommendations to the Board on the selection of individuals nominated for directorships;

(iv) review the structure, size, diversity and composition (including gender, age, educational background, skills, knowledge, professional experience and length of service) of the Board at least annually, assist the Board in maintaining a Board skills matrix; and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(v) assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence; and make disclosure of its review results in the corporate governance report of the Company;

(vi) regularly review the time required from a Director to perform his/her responsibilities;

(vii) review the Board Diversity Policy, as appropriate; and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the corporate governance report of the Company annually;

(viii) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive of the Company;

(ix) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;

(x) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the articles of association of the Company (as amended from time to time) or imposed by law or in accordance with the GEM Listing Rules;

(xi) to support the Company's regular evaluation of the Board's performance; and

(xii) make available these terms of reference explaining the role of the Committee and the authority delegated to it by the Board by including them on the websites of the GEM of The Stock Exchange of Hong Kong Limited and the Company.

13. The Company should provide the Committee with sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

Reporting Procedures

14. The Committee should report to the Board on a regular basis on its decisions or recommendations and on the matters set out in these terms of reference, unless there are legal or regulatory restrictions on its ability to do so.

15. Full minutes of the Meetings or, as the case may be, written resolutions, of the Committee shall be kept by the secretary of the Committee, who shall prepare and circulate to all members of the Committee the draft and final version of such minutes or written resolutions, for their comments and records respectively within a reasonable time after the Meeting.

Others

16. The chairman of the Committee or in his absence, another member of the Committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Committee's activities and their responsibilities.