

Shanghai Chicmax Cosmetic Co., Ltd.

Procedures for Shareholders to propose a Person for Election as a Director

Article 1 In order to further clarify the nomination procedures for director candidates of Shanghai Chicmax Cosmetic Co., Ltd. (hereinafter referred to as the “**Company**”), the Company formulated these procedures in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Securities Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules**”) and other applicable laws, regulations, regulatory documents and the articles of association of the Company (hereinafter referred to as the “**Articles of Association**”), after taking into consideration the actual situation of the Company.

Article 2 Nomination Procedures of Director Candidate

- (1) Under Article 61 of the Article of Association, the board of directors, the board of supervisors and shareholders who, individually or collectively, hold more than three percent (3%) of the total voting shares of the Company, shall have the right to propose candidates for directorship to the Company by way of proposals at the general meeting.
- (2) Under Article 95 of the Articles of Association, the Company shall set aside a period of time before convening the meeting in respect of candidates nominated by shareholders taking up the role of directors. Within this period, shareholders may issue a written notice to the Company in respect of nominating a candidate to be a director. The aforementioned period shall be at least seven days and shall commence no earlier than the first day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting. The board of directors shall disclose the detailed information of the director candidates, including brief biography and basic information, before the general meeting, for ensuring that the shareholders possess adequate understanding about the director candidates during the voting.
- (3) Under Article 95 of the Articles of Association, director candidates may deliver a written notice to the Company, indicating their willingness to accept nomination (see paragraph 1 of Article 4 in these procedures), and written materials relating to the director candidates (see paragraph 2 of Article 4 in these procedures).
- (4) Under Rule 2 of Article 54 of the Articles of Association, the list of directors shall be submitted to the general meeting for voting by way of proposals. The proposals relating to the director election at the general meeting shall be voted on a one-by-one basis.
- (5) Under Rule 2 of Article 96 of the Articles of Association, the board of directors shall put forward a proposal to the general meeting for election or replacement in case of temporary addition of directors.
- (6) The nomination, election and replacement of independent non-executive directors shall be conducted in accordance with the laws of the place where the Company is listed or the requirements of the relevant provisions of where the stock exchange locates.

Article 3 Directors' Tenure

- (1) Under Article 96 of the Articles of Association, directors shall be elected or replaced by the general meeting in accordance with the procedures stipulated in the Articles of Association for a term of three years. Directors are eligible for re-election upon expiry of their term of office. The term of office of a director shall be effective from the date of passing the resolution at the general meeting and shall end upon the expiry of the term of the current session of the board of directors. In the event that a director is not re-elected in a timely manner upon the expiry of his/her term of office, the original director shall perform his/her duties as a director in accordance with the laws, administrative regulations, departmental rules and the listing rules of the place where the shares of the Company are listed and the Articles of Association before the appointment of a new director.
- (2) Under Article 94 of the Articles of Association, the board of directors shall consist of one chairman who shall be elected and removed by more than half of all members of the board of directors. The term of office of the chairman is three years and shall be re-elected.
- (3) Under Article 94 of the Articles of Association, the Company consists of three independent non-executive directors. Members of the board of directors shall comprise at least 3 independent non-executive directors and shall not be less than one-third of all members of the board of directors. The term of office of independent non-executive directors is three years. A director may serve consecutive terms if re-elected. Independent non-executive directors who hold office for more than 9 years shall be re-elected after relevant procedures are performed in accordance with the listing rules of the stock exchange where the shares of the Company are listed.

Article 4 Nomination Documents for Director Candidates

- (1) Before the convening of the general meeting, the nominated director shall make a written undertaking indicating that he/she agrees to accept the nomination and undertakes that the information of the director candidates disclosed publicly is true and complete and the he/she will perform his/her duties effectively after being elected.
- (2) In order to fulfill the relevant disclosure requirements of the issuers' directors under Rule 13.51(2) of the Listing Rules and to enable shareholders to make an informed decision on the election of directors, in addition to the nomination notice, the nominator shall provide the basic information of the director candidates, including, but not limited to, the following:
 - (a) full name and age;
 - (b) positions in the Company and/or the Company's group, if any;

- (c) relevant experiences, including (i) other directorships held in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) other major appointments and professional qualifications;
- (d) current employment and other information relevant to the candidate's competence and integrity that shareholders should be aware of, including the candidate's business experience and academic qualification;
- (e) term of office or proposed term of office as a director of the Company;
- (f) relationships with any director(s), senior management, substantial shareholder(s) or controlling shareholder(s) (as defined in the Listing Rules) of the Company, or an appropriate declaration denying such relationship;
- (g) interests in shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or an appropriate declaration denying such interests;
- (h) directors' remuneration, the basis of remuneration calculation, and the amount payable therein as stipulated in the service contract;
- (i) a statement made by the director candidate regarding the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate declaration denying any information required to be disclosed pursuant to such requirements and knowledge of the matter required to be disclosed relating to the candidate for election as a Director; and
- (j) contact information.

Article 5 Shareholder(s) may request the Company to convene an extraordinary general meeting to nominate candidates for directorship of the Company.

Article 6 Pursuant to Rules 13.70 and 13.73 of the Listing Rules, the Company shall publish an announcement or issue a supplementary notice not less than 10 business days before the date of the general meeting if a shareholder nominates a candidate for directorship after the notice of a general meeting is issued, in order to provide shareholders with relevant information, including information about the director candidates.

Article 7 Unless otherwise specified, the terms used in these procedures shall have the same meanings as those in the Articles of Association.

- Article 8** If there are any matters which are not covered by these procedures or have conflicts with the laws, administrative regulations, regulatory documents, the Listing Rules or other relevant rules and regulations of the place of listing promulgated after these procedures come into effect or the amended Articles of Association, such matters shall be implemented in accordance with the relevant laws, administrative regulations, regulatory documents, the Listing Rules and other relevant regulatory rules of the place of listing and the Articles of Association, and necessary amendments shall be made to these procedures for consideration and approval by the board of directors.
- Article 9** These procedures shall be considered and approved by the board of directors, and shall become effective from the date of the issuance and listing of shares of the Company in Hong Kong.
- Article 10** The right of interpretation and revision of these procedures shall be vested to the board of directors of the Company.
- Article 11** The Articles of Association are written in both Chinese and English. In case of any inconsistency, the Chinese version shall prevail.