



HSIN CHONG GROUP HOLDINGS LIMITED

新昌集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00404)

NOMINATION COMMITTEE

TERMS OF REFERENCE

1. CONSTITUTION

The board of directors (the “Board”) of Hsin Chong Group Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) resolved on 13 December 2011 to approve the establishment of a committee of the Board known as the nomination committee (the “Committee”).

2. OBJECTIVE AND ROLE

The primary objective of the Committee is to formulate nomination policy and to lead the process of identifying and nominating suitable candidates.

3. AUTHORITY

3.1 The Committee is authorised by the Board to make investigation within its terms of reference.

3.2 The Committee is authorised by the Board to engage any independent professional advisors to provide independent counsel and advice as the Committee deems appropriate.

3.3 The Committee shall be provided with sufficient resources to perform its duties.

4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall, in addition to those delegated to the Committee by the Board from time to time, shall be:

- (a) to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, skills, knowledge, professional experience and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to identify and nominate candidates to fill casual vacancies of directors for the Board's approval;
- (d) taking into account the Group's corporate strategy and mix of skills, knowledge, experience and diversity needed in the future, to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (e) to assess the independence of independent non-executive directors and to review the independent non-executive directors annual confirmations on their independence; and to make disclosure of its review results in the Corporate Governance Report;
- (f) to regularly review the time required from a director to perform his/her responsibilities and report to the Board of their findings;
- (g) to review the Board Diversity Policy, as appropriate; and review the measurable objectives that the Board had 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 annually; and
- (h) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board.

5. MEMBERSHIP

- 5.1 The members of the Committee shall be appointed by the Board and shall consist of at least three members, a majority of whom shall be independent non-executive directors of the Company.

5.2 The chairman of the Committee shall be appointed by the Board.

5.3 The Company Secretary or any other person appointed by the Committee Chairman shall be the Secretary of the Committee.

6. MEETINGS

6.1 The meetings and proceedings of the Committee shall be governed by the provisions of the Company's Bye-laws for regulating the meetings and proceedings of the Board.

6.2 The quorum for meetings shall be two members. 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 chairman of the Committee shall have a second or casting vote.

7. REPORTING

The Committee shall report to the Board on its proceedings after each meeting and make recommendations to the Board it deems appropriate, if any.

Hong Kong, 28 April 2016