

CHANGHONG JIAHUA HOLDINGS LIMITED

(“CHANGHONG JH”)

NOMINATION POLICY

1. Objective

- 1.1 The Nomination Committee (“NC”) shall nominate suitable candidates to the Board for it to consider and make recommendations to shareholders for election as directors of CHANGHONG JH (“**directors**”) at general meetings or appoint as directors to fill casual vacancies.

2. Selection Criteria

- 2.1 The factors listed below would be used as reference by the NC in assessing the suitability of a proposed candidate.
- Reputation for integrity
 - Accomplishment and experience in the Information and Communication Technology (“ICT”) industry
 - Commitment in respect of available time
 - Diversity in all its aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service

These factors are for reference only, and not meant to be exhaustive and decisive. The NC has the discretion to nominate any person, as it considers appropriate.

- 2.2 Retiring directors are eligible for nomination by the Board to stand for re-election at a general meeting. If an independent non-executive Director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by Shareholders and the papers to Shareholders accompanying that resolution should include the reasons why the Board believes he is still independent and should be re-elected.

- 2.3 Proposed candidates will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as a director and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a director.
- 2.4 The NC may request candidates to provide additional information and documents, if considered necessary.

3. Nomination Procedures

3.1 Procedures for Shareholders to Propose a Person for Election as a Director

According to Bye-law 85 of the Company's Bye-laws, a Shareholder (other than the person to be proposed) duly qualified to attend and vote at an annual general meeting of the Company may propose a person for election as a director at such meeting by lodging a notice in writing signed by such Shareholder of his intention to propose such person for election and a notice in writing signed by the person to be proposed of his willingness to be elected at the head office of the Company or the office of the Hong Kong branch share registrar of the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such notices shall commence on the 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.

3.2 Procedures for Board of Directors to Propose a Person for Election as a Director

- 3.2.1 The Secretary of the NC shall call a meeting of the NC, and invite nominations of candidates from Board members if any, for consideration by the NC prior to its meeting. The NC may also put forward candidates who are not nominated by Board members.
- 3.2.2 For filling a casual vacancy, the NC shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the NC shall make nominations to the Board for its consideration and recommendation.
- 3.2.3 Until the issue of the shareholder circular, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting.

- 3.2.4 In order to provide information of the candidates nominated by the Board to stand for election at a general meeting, a circular will be sent to shareholders. The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidates will be included in the circular to shareholders.
- 3.2.5 A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the Company Secretary.
- 3.2.6 The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

4. Confidentiality

Unless required by law or any regulatory authority, under no circumstances shall a member of the NC or a staff member of CHANGHONG JH disclose any information to or entertain any enquiries from the public with regard to any nomination or candidature before the circular to shareholders, as the case may be, is issued. Following the issue of the circular, the NC or Company Secretary or other staff member of CHANGHONG JH approved by the NC may answer enquiries from the regulatory authorities or the public but confidential information regarding nominations and candidates should not be disclosed.

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