



Changhong Jiahua Holdings Limited
長虹佳華控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3991)

(the “Company”)

TERMS OF REFERENCE OF NOMINATION COMMITTEE

Members

1. The members of the Nomination Committee shall be appointed by the board (the “**Board**”) of directors (the “**Directors**”) of the Company from amongst the Directors, a majority of which should be independent non-executive Directors.
2. The chairman of the Nomination Committee shall be appointed by the Board and shall either be an independent non-executive Director or the chairman of the Board.
3. The quorum for meetings of the Nomination Committee shall be two members.
4. The term of each appointment to the members of the Nomination Committee shall be determined by the Board upon appointment.

Secretary

5. The company secretary shall be the secretary of the Nomination Committee.

Frequency of meetings

6. The Nomination Committee shall meet at least once a year.

Consultation and Resources

7. The Nomination Committee may seek appropriate independent professional advice as it deems necessary.
8. The Company shall provide sufficient and necessary resources to the Nomination Committee to perform its duties.

Duties

9. The duties of the Nomination Committee are:

- to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the board at least once a year and make recommendations on any proposed changes to the Board to complement the Company's corporate strategies;
- 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;
- to assess the independence of independent non-executive Directors;
- to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer;
- review the policy on Board diversity (the "**Board Diversity Policy**") and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives; and to make disclosure of its review results in the annual report of the Company annually; and
- to report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions.

Minutes of meetings

10. Minutes of meetings of the Nomination Committee shall be sent to all members of the board to review.

Performance review

11. The Nomination Committee shall review its performance annually with reference to the authorities and duties set out herein and submit to the board to review and approve.

Others

12. The terms of reference of the Nomination Committee shall be posted both on the Company's website and the website of The Stock Exchange of Hong Kong Limited.