



**KH INVESTMENT HOLDINGS LIMITED**  
**嘉 滙 投 資 控 股 有 限 公 司\***

(the "Company")

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8172)**

**TERMS OF REFERENCE**

**OF**

**NOMINATION COMMITTEE**

(the "Committee")

(Adopted on 26 March 2012)

**Membership**

1. Members of the Committee shall be appointed by the board of the directors ("Board") from amongst the directors of the Company and shall consist of not less than three members and a majority of whom shall be independent non-executive directors.
2. The Chairman of the Committee shall be appointed by the Board. The Chairman of the Committee should be the Chairman of the Board or an independent non-executive director of the Company.
3. The Company Secretary or any other person appointed by the Committee from time to time shall act as the Secretary of the Committee.
4. The appointment of the members of the Committee may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

**Frequency and Proceedings of the Committee**

5. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
6. The chairman of the Committee may convene additional meetings at his discretion.
7. The quorum of a meeting shall be two members of the Committee.
8. The Committee may, from time to time, invite independent professional advisors to the meeting, at the Company's expense, including but not limited to external advisers or consultants to advise its members.

\* For identification purpose only

9. Proceedings of meetings of the Committee shall be governed by the provisions in the Bye-Laws of the Company.

**Written resolutions**

10. Written resolutions may be passed by all Committee members in writing.

**Duties, powers and functions**

11. The duties of the Committee shall be:
- (a) To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
  - (b) To identify individuals suitably qualified to become members of the Board and may select individuals nominated for directorship;
  - (c) To assess the independence of the independent non-executive directors;
  - (d) 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 officer; and
  - (e) To do any such things to enable the Committee to discharge its powers and functions conferred in it by the Board.

**Reporting procedure**

12. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

**Publication procedure**

13. The Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the Company and The Stock Exchange of Hong Kong Limited's website.

**Power of the Board**

14. The Board may, subject to compliance with the Bye-Laws of the Company and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rule") (including the Code on Corporate Governance Practices set out in the GEM Listing Rules or if adopted by the Company), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

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