



TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

Adoption Date : 31 March 2012

Terms of Reference of the Nomination Committee of Tai Ping Carpets International Limited (the “Company”) are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the board of directors (the “Board”) of the Company 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 board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of independent non-executive directors; and
- (d) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive.

Composition of the Nomination Committee is as follows:

Mr. Nicholas T. J. Colfer#	Chairman of the Board and Non-executive Director
Mr. Lincoln C. K. Yung	Independent Non-executive Director
Mrs. Yvette Y. H. Fung	Independent Non-executive Director

#Chairman of the Nomination Committee

Hong Kong, 1 April 2012