
HENG TAI CONSUMABLES GROUP LIMITED (the “**Company**”)
(Incorporated in the Cayman Islands with limited liability)

NOMINATION COMMITTEE - TERMS OF REFERENCE

Adopted on 1 July 2005

Amended on 30 June 2008, 28 February 2012 and 11 August 2015

1 Constitution

The board of directors of the Company (the “**Board**”) resolved to constitute and establish a nomination committee (the “**Nomination Committee**”) on 1 July 2005, with authority and specific duties as described below.

2 Membership

2.1 The members of the Nomination Committee shall be appointed by the Board and shall consist of not less than three members, the majority of whom should be independent non-executive directors.

2.2 The Chairman of Nomination Committee shall be appointed by the Board and who should be either the Chairman of the Board or an independent non-executive director. In the absence of the Nomination Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship.

3 Attendance at meetings

3.1 Only members of the Nomination Committee have the right to attend and entitled to vote at the Nomination Committee meetings. However, at the invitation of the Nomination Committee, other Board members, senior management, external advisors or other persons deem appropriate may be invited to attend all or part of any meetings.

3.2 The Company Secretary of the Company or his or her nominee shall be the Secretary of the Nomination Committee attending meetings.

4 Frequency and proceedings of meetings

4.1 The Nomination Committee shall meet at least annually. Additional meetings shall be held as the work of the Nomination Committee demands.

4.2 The Chairman of the Nomination Committee may convene additional meetings at his/her discretion.

4.3 The quorum for a meeting shall be two members.

4.4 Meetings can be held in person, by means of such telephone, electronic or other communication facilities as permit all committee members participating in the meeting to communicate with each other simultaneously and instantaneously.

4.5 Written Resolutions signed by all members of the Nomination Committee shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.

4.6 Minutes shall be kept by the Secretary of the Nomination Committee. Draft and final versions of minutes shall be circulated to all members of the Nomination Committee for their comment and records respectively, in both cases within a reasonable period of time after the meeting.

4.7 Except for provided herein, proceedings of the Nomination Committee’s meetings shall be governed by the provisions contained in the articles of association of the Company.

5 Authority

5.1 The Nomination Committee is authorised to seek sufficient resources to perform its duties.

5.2 The Nomination Committee is authorised by the Board, when necessary, seek independent professional advice at the Company's expense to perform its responsibilities.

6 Duties

The duties of the Nomination Committee include:

6.1 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;

6.2 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;

6.3 to assess the independence of independent non-executive directors of the Company;

6.4 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;

6.5 to review the Board Diversity Policy (the "Policy"), as appropriate; and review the measurable objectives that the Board has set for implementing the Policy; and make disclosure of its review results or a summary of the Policy in the Corporate Governance Report of the Company annually; and

6.6 to consider other topics, as defined by the Board from time to time.

7 Reporting Procedures

The Nomination Committee shall report the findings and recommendations to the Board after each meeting.

8 Annual General Meeting

The Chairman of the Nomination Committee (or in his/her absence, his/her duly appointed delegate) shall attend the Annual General Meeting of the Company prepared to respond to any shareholder questions on the Nomination Committee's activities and their responsibilities.

9 Publication of the Term of Reference

The Nomination Committee should make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the websites of The Stock Exchange of Hong Kong Limited and of the Company.