

HI SUN TECHNOLOGY (CHINA) LIMITED

(Incorporated in Bermuda with limited liability)

NOMINATION COMMITTEE

TERMS OF REFERENCE

OBJECTIVE

The Company has established a Nomination Committee (the “Committee”) with written terms of reference. The Committee is to assist the board of directors of the Company (the “Board”) to deal with matters in relation to appointment of members of the Board.

The Committee is established with these terms of reference adopted pursuant to the Recommended Best Practices contained in the Code on Corporate Governance Practices (Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

MEMBERSHIP & SECRETARY

1. **Composition** : The Committee shall have at least 3 members ("Members"). All Members shall be appointed and removed by the Board.

The majority of the Members shall be Independent non-Executive Directors (“INEDs”).

2. **Chairman** : The Chairman of the Committee shall be appointed by the Board.
3. **Secretary** : The Company Secretary, or in his absence, his representative, shall act as the Secretary of the Committee. The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary of the Committee.

AUTHORITY

4. The Committee is authorized by the Board to deal with all matters in relation to the appointment of members of the Board, including making recommendation to the Board for such steps or action to be taken to comply with relevant requirements under the Listing Rules.
5. The Committee is authorized by the Board to seek any relevant information and all requisite resources (including without limitation, professional advice) from the Company or from external resources at the cost of the Company and to do all such things as to enable the Committee to discharge its duties and responsibility.

DUTIES

The Committee shall have the following duties:

- 6.(i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to make recommendations to the Board regarding any proposed changes;
- (ii) to identify individuals suitably qualified to become members of the Board and to select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to assess the independence of INEDs and proposed INEDs;
- (iv) 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;
- (v) to make available its terms of reference to any requesting party without charge;
- (vi) the Chairman of the Committee or in his/her absence, another Member (who must be an INED) of the Committee shall attend the Company's general meeting(s) and be prepared to respond to shareholders' questions on the Committee's activities and their responsibilities; and

- (vii) any other duties applicable to the Committee as specified in the Listing Rules (including the code provisions of the Code on Corporate Governance Practices) or as delegated to the Committee by the Board from time to time;

MEETINGS

7. **Frequency** : The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
8. **Quorum** : The quorum of a meeting shall be two Members of whom at least one must be an INED.
9. **Notice** : Notice of any meetings of the Committee has to be given 14 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meeting is not required if the adjournment is less than 14 days.
10. **Resolutions** : Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.

Meetings can be held in person, by telephone or by tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants.

A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

The Secretary of the Committee shall keep minutes of all Committee meetings. Draft and final versions of minutes of meetings of the Committee shall be sent to all Members for their comment and record respectively, in both cases within a reasonable period of time after each

meeting.

11. **Attendance** : The Committee may, from time to time, invite the Chairman of the Board, Managing Director, external advisers and/or other persons as may be considered by the Committee to be appropriate to attend all or any part of any meetings. However, only Members are entitled to vote at the meetings.

REPORTING PROCEDURES

12. The Secretary of the Committee or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.
13. The Committee shall report to the Board of its findings and recommendations.

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