



Hing Lee (HK) Holdings Limited 興利（香港）控股有限公司

(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda

with limited liability)

(Stock Code: 396)

(the “**Company**” and together with its subsidiaries, the “**Group**”)

TERMS OF REFERENCE

OF

THE NOMINATION COMMITTEE

(the “**Committee**”)

These terms of reference of the Nomination Committee (the “**Committee**”) have been prepared based on the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**” and the “**Exchange**” respectively).

Composition

1. The board of directors (the “**Board**”) of the Company resolved on 29 May, 2009 to establish a Committee of the Board known as the Nomination Committee.

Members

2. The Committee members must be appointed by the Board and shall consist of not less than three members. The majority of the members must be independent non-executive Directors of the Company (the “**INEDs**”), and at least one of which shall be of a different gender.
3. Chairman of the Committee shall be appointed by the Board and must be the Chairman of the Board or an INED.
4. Subject to Rules 2 and 3 above, the Board may, from time to time, at their discretion, change the composition of the members of the Committee.

Secretary

5. The Committee may appoint the company secretary of the Company or any other person with appropriate qualification and experience as the secretary of the Committee. Full minutes of the meetings should be kept by the secretary.

Frequency and proceedings of meetings

6. The Committee shall meet at least once a year. Additional meetings should be held as and when the work of the Committee demands.
7. The quorum of a meeting shall be two members of the Committee.
8. The Committee members could attend the meetings in person, by telephone or by video conference.
9. Resolutions of the Committee shall be passed by more than half of the members of the Committee.
10. A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
11. Unless otherwise stated herein, proceedings of meeting of the Committee shall be governed by the relevant provisions of the Bye-laws of the Company (as amended from time to time).

Authority

12. All members of the Committee can have access to the advice and services of the secretary who is responsible to the Committee for ensuring that procedures of the Committee, and all applicable rules and regulations, are followed.
13. The Committee shall be provided with sufficient resources to perform its duties and may seek independent professional advice in appropriate circumstances at the Company's expenses to perform its duties.
14. The Committee is authorised by the Board to investigate any activity within its terms of reference and seek any necessary information which is within its scope of duties from the employees of the Company and its subsidiaries (including members of the Board).

Duties

15. Main duties of the Committees should include:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a Board skills matrix, ensure that candidates put forward for election as Directors at the Company's annual general meeting provide the Board with a balance of skills, experience and diversity of perspectives appropriate to the Group's

business, 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 develop and maintain a policy for the nomination of Board members which includes the nomination procedures and the process and criteria adopted by the Committee to identify, select and recommend candidates for directorship during the year, and to review periodically and disclose in the corporate governance report annually and the progress made towards achieving the objectives set in the policy. The Committee should ensure that the selection process is transparent and fair, and that it considers a board range of candidates who are outside the Board's circle of contacts and in accordance with the Company's diversity policy;
- (d) to develop and maintain a board diversity policy and to ensure its effectiveness and review the measurable objectives that the Board set for implementing the board diversity policy, and the progress on achieving the objectives; and disclose the board diversity policy or a summary of the policy in the corporate governance report annually;
- (e) to assess the independence of INEDs;
- (f) 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;
- (g) where the Board proposes a resolution to elect an individual as an INED at the general meeting, the Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (i) the process used for identifying the candidate and why the Board believes the candidate should be elected and the reasons why it considers the candidate to be independent;
 - (ii) the perspectives, skills and experience that the candidate can bring to the Board; and
 - (iii) how the candidate can contribute to the diversity of the Board;

- (h) to review annually the time commitment required of directors and to evaluate whether directors have committed adequate time to discharge their responsibilities;
- (i) to support the Company's regular evaluation of the Board's performance; and
- (j) to report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.

Reporting Procedures

- 16. The Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken.
- 17. Full minutes and written resolutions should be kept by the secretary of the Committee. Draft and final versions of minutes of the meetings should be sent to all Committee members for their comments and records, within a reasonable time after the meeting. Written resolutions should be promptly sent to all Committee members for their records after the written resolutions are passed.
- 18. At the next meeting of the Board following a meeting of the Committee, the Chairman of the Committee shall report to the Board on the works and recommendations of the Committee since the last Board meeting (if any). At least once annually, the Committee should present a report in writing to the Board which addresses the work of the Committee during the year.

Attendance at the Annual General Meeting

- 19. The Chairman of the Nomination Committee or in his absence, another Member shall attend the Company's annual general meeting and be prepared to respond to shareholders' questions on the Nomination Committee's duties and responsibilities.

Others

- 20. 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 Exchange's website and the Company's website.
- 21. Any changes to the terms of reference shall be effective after they have been approved by the Board.

Amended on 30 June 2025