

## EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(“Company”)

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Terms of reference of the Nomination Committee (“Committee”)  
of the Board of Directors (“Board”) of the Company

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### 1. Constitution

- 1.1 The Committee is established pursuant to a resolution passed by the Board at its meeting held on 21 November 2013.

### 2. Membership

- 2.1 The Committee shall consist of four directors of the Company (the “Directors”) and members of the Committee (the “Members”) shall be appointed and removed by the Board. If a Member shall cease to assume the responsibilities of a Director, that member shall automatically lose the qualifications as a Member and if this results in the number of Members to fall below the minimum, the Board shall appoint a new Member to complement the number of Members in the Committee.
- 2.2 The majority of the Committee shall be independent non-executive Directors.
- 2.3 The Committee shall consist of a chairman (the “Chairman”) who is the chairman of the Board or an independent non-executive director to be formally appointed by the Board.
- 2.4 The secretary of the Committee (the “Secretary”) shall be served by the secretary of the Board concurrently who should attend all meetings of the Committee. The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.

### 3. Duties

- 3.1 To review the structure, size, composition and diversity (including the skills, knowledge and experience) of the Board at least annually and make recommendations

to the Board regarding any proposed changes to complement the Company's corporate strategy.

- 3.2 To review the policy concerning diversity of the Board (the “**Board Diversity Policy**”) as appropriate, to review the measurable objectives set for implementing the Board Diversity Policy and the progress made towards achieving those objectives, and to disclose the review results in the annual Corporate Governance Report.
- 3.3 To identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of, individuals nominated for directorships. In identifying suitable candidates, the Committee should consider candidates on merit and against the objective criteria, with due regard for the benefits of diversity on the Board.
- 3.4 To assess the independence of independent non-executive Directors.
- 3.5 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 (as defined in the Rules Governing the Listing of Securities (“**Listing Rules**”) of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”)).
- 3.6 Where the Board proposes a resolution to elect an individual as an independent non-executive Director at a general meeting, the Committee shall set out in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.
- 3.7 To conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable law.
- 3.8 To ensure the Chairman, or in the absence of the Chairman, another member of the Committee or failing this, his duly appointed delegate, to be available to answer questions at the annual general meeting of the Company.
- 3.9 To ensure the presence of a formal, considered and transparent procedure for the appointment of new directors to the Board.

#### **4. Meetings of the Committee**

##### **4.1 Attendance at Meeting**

The chairman of the Board may attend meetings of the Committee.

##### **4.2 Frequency**

The Committee shall convene a meeting (the “**Meeting**”) no less than once a year.

##### **4.3 Notice of Meeting**

Unless all Members unanimously agree that no notice shall be necessary, the Secretary shall inform the Members 7 days before the date for convening the Meeting. Notice shall be given to each Member in person, orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the Secretary by such Member or in such other manner as the Members may from time to time determine.

An agenda and accompanying papers should be sent to all Members of the Committee in a timely manner and at least 3 days before the intended date of a meeting of the Committee (or such other period as agreed by the majority of its Members).

##### **4.4 Quorum**

A quorum shall be a majority of the Members.

##### **4.5 Manner of Meeting**

Meetings may be convened by Members present at the Meetings, participating by telephone or video conferencing. Members may participate by telephone or similar modes that allow persons present at the Meeting to hear and communicate with each other at the Meeting, and Members participating at the Meeting through the abovementioned methods are deemed to be present at the Meeting. If all Members shall agree, resolutions may also be passed in writing.

##### **4.6 Resolutions**

Resolutions of the Committee shall be passed by a majority vote (excluding 50% vote) of Members present at the Meeting.

A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more of the Members. This provision is without prejudice to any requirement under the Listing Rules for a Board or Committee meeting to be held.

#### **4.7 Invitation to Meeting**

The Committee may invite executive Directors, external advisors and other persons to attend the Meeting but those persons shall have no right to vote at the Meeting.

#### **4.8 Minutes of Meeting**

The Secretary shall keep detailed record of matters considered and decisions reached at all the Meetings, including any concern raised and opinion expressed by the Members and participant of any meeting of the Committee. After the close of each Meeting, the Secretary shall circulate to all Members the draft and final version of the minutes of the Meeting for their comment and record respectively, in both cases within a reasonable time after the Meeting. Full minutes of the Committee's meetings shall be kept by the Secretary, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director or Member.

#### **4.9 Independent Professional Advice**

The Committee is authorised by the Board to obtain external independent professional advice, at the Company's expenses, to perform its responsibilities and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### **5. Shareholders' meeting**

The Chairman should, as far as practicable, attend the annual general meeting and make himself available to respond to any shareholder questions on the Committee's activities. In the absence of the Chairman, another Member or failing that a duly appointed delegate of such Chairman or Member should attend the annual general

meeting. Unless authorized by the Board, Member(s) attending the Meeting shall have the duty to keep confidential all matters discussed at the Meeting and shall not disclose relevant information to outsiders.

## **6. Continuing application of the articles of association of the Company**

The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

## **7. Authority of the Committee**

7.1 The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference. It is authorised to seek any information it requires from any employee or executive Director and such persons are directed to co-operate with any request made by the Committee.

7.2 The Committee is authorised by the Board, and at the reasonable expense of the Company, to discharge its duties, including but not limited to obtaining outside legal or other independent professional advice and to securing the attendance of independent professional advisers with the relevant experience and expertise, if it considers this necessary.

## **8. Power of the Board**

8.1 The Board may, subject to compliance with the articles of association of the Company and the Listing Rules (including the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company's own code of corporate governance practices), 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.

8.2 The power to interpret these terms shall rest in the Board. These terms of reference shall be made available to the public by including the information on the Company's website and the Stock Exchange's website.

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(If there is any inconsistency between the English and Chinese version of these terms of reference, the English version shall prevail.)