

These Procedures are prepared in English. In the event that there is any discrepancy or inconsistency between the English version and the Chinese version, the English version shall prevail.



K GROUP HOLDINGS LIMITED

千盛集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8475)

(the “Company”)

NOMINATION COMMITTEE – TERMS OF REFERENCE

CONSTITUTION

1. The board (the “**Board**”) of directors (the “**Directors**”) of our Company resolved the establishment of the nomination committee (the “**Committee**”) on 23 July 2018.

MEMBERSHIP

2. The members shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three members, a majority of whom should be independent non-executive Directors. The Director responsible for human resources function (the “**Responsible Director**”) shall be an ex-officio member of the Committee. The quorum necessary for the transaction of business shall be two members. If only two members are in attendance, then both members shall be independent non-executive Directors. If more than two members are in attendance, then a majority of the members shall be independent non-executive Directors. Questions arising in any meetings shall be decided by a simple majority of votes.
3. The chairman of the Committee (the “**Chairman**”) shall be appointed by the Board and should be the chairman of the Board or an independent non-executive Director and in his/her absence, members present may elect any member to chair the Committee meeting.

ATTENDANCE AT MEETINGS

4. The company secretary of the Company or his/her delegate or such other person appointed by the Chairman shall be the secretary of the Committee (the “**Secretary**”).
5. The Committee members may attend meetings of the Committee either in person or through other electronic means of communication (if made available to the Company). Should any member of the Committee wish to attend a meeting through electronic communication, prior arrangements shall be made with the Secretary.

FREQUENCY AND PROCEDURES OF MEETINGS

6. Meetings shall be held as and when required or as requested by the Responsible Director or the Chairman. The members may adopt from time to time the procedure governing the convening of the Committee meetings, the means and procedure for the passing of resolutions at meetings of the Committee. The meetings of the Committee shall be held not less than twice a year.

NOTICES OF THE MEETINGS

7. Meetings of the Committee shall be summoned by the Secretary at the request of any of its members. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the Committee, and to any other person required to attend:
 - (a) in relation to all regular meetings of the Committee, at least 3 days before the date of meeting; and
 - (b) in relation to all other meetings of the Committee, within a reasonable time prior to the date of the meeting.
8. An agenda of items to be discussed, together with supporting papers, shall be sent to the Committee members and to other attendees within a reasonable period of time prior to the date of the meeting.

AUTHORITY

9. The Committee is authorised by the Board to seek any information within its terms of reference. It is authorised by the Board to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
10. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

DUTIES

11. The main duties of the Committee shall be:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to make any change recommendations to the Board after such review;

- (b) to identify individuals suitably qualified to become Board members and to select or make recommendations to the Board on the selection of, individuals nominated for directorship;
- (c) to assess the independence of the independent non-executive Directors, having regard to the requirements under the the Rules Governing the Listing of Securities on GEM operated by The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”); and 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 chief executive officer of the Company (if any);
- (d) where the Board proposes a resolution to elect an individual as an independent non-executive Director 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:
- the process used for identifying the candidate and why the Board believes the candidate should be elected and the reason why it considers the candidate to be independent;
 - if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, the reason the board believes the candidate would still be able to devote sufficient time to the Board;
 - the perspectives, skills and experience that the candidate can bring to the Board; and
 - how the candidate can contribute to the diversity of the Board;
- (e) to review annually the time commitment required of directors and to evaluate whether directors have committed adequate time to discharge their responsibilities;
- (f) to review the board diversity policy, as appropriate, to ensure its effectiveness; and review the measurable objectives that the board has set for implementing the board diversity policy and the progress on achieving these objectives; and
- (g) to review and implement, as appropriate, the nomination policy setting out the criteria and procedures for the selection and nomination of candidates for appointment or re-appointment as directors.

OTHER PROCEDURES

12. The Chairman, in consultation with the Responsible Director and the Secretary, should be primarily responsible for drawing up and approving the agenda for each Committee meeting. The Chairman, with the assistance of the Secretary, shall ensure that all members shall have sufficient information in a timely manner to enable effective discussion at the Committee meeting and be briefed on the issues arising at each Committee meeting. The Secretary shall record minutes of all duly constituted meetings of the Committee. All minutes shall record in sufficient detail the matters considered, decisions reached or recommendations made and any concerns raised by any member including dissenting views of any member. The Secretary shall circulate the draft and final versions of the minutes of meetings and reports of the Committee to all members for comments and records within a reasonable time after each meeting. The Chairman shall report at the forthcoming regular Board meeting any key decisions made and shall table before the Board an index of meetings and issues discussed.
13. This terms of reference has been prepared in English. In the event that there is any discrepancy or inconsistency between the English version and the Chinese version, the English version shall prevail.

PUBLICATION OF THE TERMS OF REFERENCE

14. The terms of reference of the Committee will be posted on the websites of the Company and GEM of The Stock Exchange of Hong Kong Limited, and will be made available upon request.

Adopted on 23 July 2018
First revised on 31 December 2018