

Bao Shen Holdings Limited

寶申控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8151)

TERMS OF REFERENCE OF NOMINATION COMMITTEE

(Revised and adopted by the Board on 28 December 2018)

Preamble

Bao Shen Holdings Limited (the “**Company**”) was listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 April 2018.

In compliance with the code provisions of the Corporate Governance Code issued by the Stock Exchange, a Nomination Committee needs to be established with the terms of reference as set out and adopted herein.

1. Organization

The board (the “**Board**”) of the directors of the Company (the “**Directors**”) has resolved to set up the nomination committee of the Board (the “**Committee**”) on 31 March 2018.

2. Objective

The main objective of the Committee is to regularly review the structure of the Board and make recommendations to the Board regarding any proposed change to the structure of the Board. The Committee is accountable to the Board.

3. Composition

3.1 The Committee shall comprise a minimum of three Directors and shall be appointed or removed by the Board. If any member of the Committee (the “**Member**”) ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

3.2 The majority of the Members shall be independent non-executive Directors.

3.3 The chairman of the Committee shall be appointed by the Board and shall be the chairman of the Board or an independent non-executive Director.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee shall be the Company Secretary to the Company, and in the absence of the Company Secretary, any such other person as may from time to time be nominated by the Company Secretary, subject to the approval of the Committee, shall act as secretary of the Committee.

5. Powers and Duties

- 5.1 The Committee shall formulate nomination policy for the Board's consideration and implement the Board's approved nomination policy.
- 5.2 Without prejudice to the generality of the foregoing, the duties of the Committee shall include:–
- (a) to review the structure, size, composition and diversity (including without limitation the skills, knowledge, experience and length of service) of the Board with the Board Diversity Policy at least annually, to evaluate whether Directors have committed adequate time to discharge their responsibilities and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) to review the Company's board diversity policy and the progress on achieving the objectives set for implementing the said policy;
 - (c) to consider the selection criteria of Directors and senior management of the Company, to identify individuals suitably qualified to become Board members and senior management and select or make recommendations to the Board on the selection of individuals nominated for directorships and senior management for the Board's approval;
 - (d) to assess the independence of independent non-executive Directors and to review the independent non-executive Directors' annual confirmations on their independence; and to make disclosure of its review results in the corporate governance report;
 - (e) 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 of the Company;
 - (f) to identify and nominate candidates to fill casual vacancies of Directors and senior management of the Company; and to make recommendations to the Board regarding candidates to fill vacancies on the Board and/or in senior management;
 - (g) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
 - (h) to conform any requirement, direction and regulation that may from time to time be prescribed by the Board, or contained in the articles of association of the Company or imposed by the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited or any applicable laws.

- 5.3 In carrying out its functions, the Committee shall give due consideration to the Company's Board Diversity Policy.
- 5.4 The Committee shall be provided with sufficient resources to enable it to perform its functions, including the resources for seeking independent professional advice.
- 5.5 the Committee shall perform and report to the Board the matters as set out in code provision A.5 in Appendix 15 to the GEM Listing Rules.

6. Meetings of the Committee

6.1 Number of meeting

There shall be at least one meeting of the Committee annually to be convened and held by attending in person, by telephone or video conference. If required, extraordinary meeting could be convened.

6.2 Notice of meeting

Unless waived by all Members on notice, the secretary to the Committee shall give at least seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

6.3 Quorum

Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

6.4 Conducting the meetings

Meetings could be convened by attending in person, by telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

6.5 Resolutions

Any resolution shall be passed by the majority votes of the Members who attend the meetings. A resolution in writing signed by all of the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents all in like form.

6.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meetings but such executive Directors, advisers or individuals are not entitled to vote at the meetings. If required, the Committee could seek independent professional advice, the fees of which should be paid by the Company.

6.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary to the Committee. Minutes shall record matters considered and decisions reached by the Members in details, including the names of Members who attending meetings and any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comment and record, within a reasonable time after the meetings.

7. Report

Chairman of the Committee who chair the meetings or other Member who is authorised by the chairman of the Committee to chair the meetings shall report to the Board after each meeting of the Committee.

8. Interpretation

Interpretation of these terms of reference shall belong to the Board.

Note: These terms of reference are prepared in English. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.