



(Incorporated in Bermuda with limited liability)
(Stock Code: 173)

Nomination Committee

Terms of Reference adopted on 22 March 2012

A. Constitution

- A.1 The Nomination Committee was established by the Board on 22 March 2012.
- A.2 These terms of reference on the authority and duties of the Nomination Committee were adopted by the Board on 22 March 2012. The Board has the authority to review, supplement, and if thought fit, amend the terms of reference from time to time.

B. Membership

- B.1 The Nomination Committee shall consist of three Members, a majority of whom shall be INEDs.
- B.2 The Board shall appoint a Member, who is either the Chairman of the Board or an INED, to be the chairman of the Nomination Committee.

C. Term

- C.1 The Board shall determine the term of each Member. If a Member ceases to be a Director, then his office as a Member shall ipso facto cease.

D. Meetings

- D.1 The quorum for meetings of the Nomination Committee shall be two Members.

- D.2 The Nomination Committee shall meet regularly and, at least once in every financial year. Members may participate either in person or through other electronic means of communication and active participation is expected.
- D.3 The Nomination Committee shall have power to invite any person(s) it wishes to attend to assist Members in the meeting.
- D.4 The company secretary of the Company shall be the Secretary of the Nomination Committee.
- D.5 Notice of at least 7 days shall be given to all Members. An agenda and accompanying meeting papers shall be sent to all Members at least 3 days before the intended date of the Nomination Committee meeting (or such other period as agreed).
- D.6 All Members shall have access to the services of the Secretary, and (if necessary) independent professional advice in accordance with the policy of the Company.
- D.7 Minutes signed by the Nomination Committee chairman are conclusive evidence of the proceedings and subject matters resolved at the relevant Nomination Committee meeting.
- D.8 A Member having a conflict of interest in a matter to be considered by the Nomination Committee, which the Nomination Committee chairman determines to be material, shall declare his interest. All matters involving material conflict of interest shall be dealt with by way of meeting.
- D.9 Members (deciding by majority) have the power to regulate and determine the proceedings of the Nomination Committee meeting, including – without limitation - the power to accept short (or dispense with) notice of meeting, abridge any time period. Subject to paragraph D.8, if the Nomination Committee so decides, a resolution in writing signed by all Members for the time being shall be as effective for all purposes as a resolution of the Members passed at a meeting duly convened, held and constituted. All Members shall keep materials and information of the Nomination Committee at all times confidential.

E. Authority

- E.1 The Nomination Committee is authorized by the Board to perform any activity within its terms of reference. It is authorized to seek any information it requires from any Director or employee in order to perform its duties.
- E.2 In connection with its duties, the Nomination Committee is authorized to obtain, at the Company's expense, outside legal or other independent professional advice on any matters within its terms of reference if it considers necessary.

F. Duties

- F.1 The duties of the Nomination Committee are the following:
- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (ii) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship;
 - (iii) to assess the independence of INEDs before their appointment and thereafter annually and when their independence is called into question having regard to relevant guidelines or requirements of the Listing Rules in place from time to time; and
 - (iv) 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.
- F.2 The chairman of the Nomination Committee or in his absence, another Member or failing him, his duly appointed delegate, shall be available to answer questions at the Company's annual general meeting.

G. Reporting procedures

G.1 Subject to paragraph G.2, the Secretary shall circulate the minutes of the Committee meetings, written resolutions of the Nomination Committee, reports of the Nomination Committee, and relevant information to all Directors.

G.2 The Nomination Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

H. Miscellaneous

H.1 These terms of reference shall be made available by including publication on the websites of Hong Kong Exchanges and Clearing limited and the Company.

Definitions:

“Board” and “Director” : respectively, the board and the directors of the Company

“Company” : K. Wah International Holdings Limited

“Exchange” : The Stock Exchange of Hong Kong Limited

“INED” : independent non-executive director (within the meaning of the Listing Rules) of the Company

“Listing Rules” : Rules Governing the Listing of Securities on the Exchange

“Member” and “Secretary” : respectively, member and secretary of the Nomination Committee

“Nomination Committee” : the nomination committee of the Company