

DAN FORM HOLDINGS COMPANY LIMITED

NOMINATION COMMITTEE – TERMS OF REFERENCE

Established on 29th March, 2012 pursuant to the Code on Corporate Governance Practices effective on 1st April, 2012 and by the minutes of the board (the “Board”) of directors (the “Directors”) of the Company dated 29th March 2012.

Revised on 29th March, 2012 pursuant to the Code on Corporate Governance Practices effective on 1st April, 2012. The original version, the Board reaffirmed and amended and modified from time to time in the future, update.

1. Membership

- 1.1 The Chairman of the Nomination Committee shall be appointed by the Board and shall be the Chairman of the Board or an independent non-executive Director.
- 1.2 A majority of the member of the Nomination Committee shall be the independent non-executive Directors.

2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Nomination Committee.
- 2.2 The Nomination Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Nomination Committee.

3. Frequency and attendance at meetings

- 3.1 The Nomination Committee shall meet at least once a year to review, formulate and consider the nomination procedures as regards the appointment, reappointment and removal of Directors, their implementation during the year and to make recommendations to the Board on candidates for appointment as Directors.
- 3.2 Notice of any meeting has to be given at least 14 days prior to any such meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a member shall be deemed waiver of the requisite length of notice by the member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 3.3 The quorum for the Nomination Committee meeting shall be any two members.

- 3.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.5 Resolutions of the Nomination Committee at any meeting shall be passed by a majority of votes of the members present.
- 3.6 A resolution in writing signed by all the members of the Nomination Committee shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- 3.7 Minutes shall be kept by the secretary of the Nomination Committee. Draft and final versions of minutes shall be circulated to all members of the Nomination Committee for their comment and records respectively, in both cases within 14 days after the meeting. Such minutes shall be opened for Directors' inspection.
- 3.8 At the invitation of the Nomination Committee, the Chairman of the Board and/or Chief Executive and/or Deputy Chief Executive, external advisers and other persons may be invited to attend all or part of any meetings.
- 3.9 Only members of the Nomination Committee are entitled to vote at the meetings.

4. Annual General Meeting

- 4.1 The Chairman of the Nomination Committee or another member of the Nomination Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Nomination Committee's activities and their responsibilities.

5. Duties and Responsibility

The Nomination Committee shall have the following duties and responsibility:-

- 5.1 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;
- 5.2 to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- 5.3 to assess the independence of the independent non-executive Directors;
- 5.4 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; and

5.5 to consider other matters, as defined or assigned by the Board from time to time.

6. Reporting Responsibilities

6.1 The Nomination Committee shall report to the Board their decisions or recommendations after each meeting.

7. Authority of Nomination Committee

7.1 The Nomination Committee may exercise the following powers :

- (a) to seek any information it requires from any employee of the Group and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend Nomination Committee meetings and to supply information and address the questions raised by the Nomination Committee;
- (b) to review the performance of the Directors and the independence of independent non-executive Directors in relation to their appointment or re-appointment as Directors;
- (c) to obtain, at the Company's expenses, outside legal or other independent professional advice on or assistance to any matters within these terms of reference, including the advice of independent human resource consultancy firm or other independent professionals, and to secure the attendance of outsiders with relevant experience and expertise at its meetings if it considers this necessary. The Nomination Committee shall have full authority to commission any search (including without limitation litigation, bankruptcy and credit searches), report, survey or open recruitment which it deems necessary to help it fulfill its duties and should be provided with sufficient resources to discharge its duties;
- (d) to review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board any changes it considers necessary; and
- (e) to exercise such powers as the Nomination Committee may consider necessary and expedient so that their duties under section 5 above can be properly discharged.

7.2 The Nomination Committee should be provided with sufficient resources to perform its duties.

8. Publication of the Terms of Reference

- 8.1 The terms of reference will be posted on the websites of the Company and the Stock Exchange of Hong Kong Limited. A copy of the terms of reference will be made available to any person without charge upon request.