

TEXWINCA HOLDINGS LIMITED

(the “Company”)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

MEMBERSHIP AND QUORUM

1. The Nomination Committee (the “Committee”) shall be appointed by the board of directors of the Company (the “Board”) amongst its members and the majority of which shall be independent non-executive directors of the Company. A quorum shall be two (2) members provided that if any members of the Committee are interested in any nomination submitted to the Committee for consideration or approval, such member shall declare the nature of his interest and shall not be counted in the quorum present at the meeting and his vote shall also not be counted.
2. The chairman of the Committee (the “Chairman”), who shall be chairman of the Board or an independent non-executive director of the Company, shall be nominated among the members of the Committee.

ATTENDANCE AT MEETINGS

3. Other Board members shall have the right of attendance. The Committee may invite any person it deems appropriate to attend its meetings.
4. The Company Secretary of the Company acts as the secretary of the Committee. When the Company Secretary is absent from any meeting of the Committee, members of the Committee shall be entitled to appoint any other person which it deems appropriate to act as the secretary of such meeting of the Committee.

FREQUENCY OF MEETINGS

5. Meeting of the Committee shall be held not less than once a year.

AUTHORITY

6. Upon reasonable request, the Committee members can obtain independent professional advice in appropriate circumstances.

7. The Committee is authorized by the Board :-

- (a) to determine the policy for the nomination of directors of the Company;
- (b) to delegate its authority and duties to sub-committees, or individual members of the Committee, as it deems appropriate;
- (c) to do any such things to enable the Committee to discharge its authority and duties conferred on it by the Board; and
- (d) 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 legislation.

DUTIES

8. The duties of the Committee shall primarily include :

- (a) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assess the independence of independent non-executive directors;
- (d) 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;
- (e) review the policy on Board diversity (the "Board Diversity Policy"); and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the corporate governance report of the Company annually;

- (f) review the policy for the nomination of directors, as appropriate. This includes the nomination procedures and process and criteria to select and recommend candidates for directorship; and
- (g) consider other matters that may be referred to the Committee by the Board.

NOMINATION POLICY

Nomination criteria

9. When considering a candidate nominated for directorship or a director's proposed re-appointment, the Nomination Committee will have regard to the following factors:
 - (a) age, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the candidate;
 - (b) effect on the Board's composition and diversity;
 - (c) commitment of the candidate to devote sufficient time to effectively carry out his/her duties. In this regard, the number and nature of offices held by the candidate in public companies or organizations, and other executive appointments or significant commitments will be considered;
 - (d) potential/actual conflicts of interest that may arise if the candidate is selected;
 - (e) independence of the candidate;
 - (f) in the case of a proposed re-appointment of an independent non-executive director, the number of years he/she has already served the Company; and
 - (g) other factors considered to be relevant by the Nomination Committee on a case by case basis.

Nomination procedures and process

10. Subject to the provisions in the Company's Bye-Laws, if the Board recognizes the need to appoint or re-appoint a director, the following procedures should be followed:
 - (a) the Nomination Committee identifies or selects candidate(s), with or without assistance from external agencies or the Company, pursuant to the criteria set out in section 9(a) herein;

- (b) the Nomination Committee may use any process it deems appropriate to evaluate the candidate(s), which may include personal interviews, background checks, presentations or written submissions by the candidate(s) and third party references;
- (c) the Nomination Committee will hold meeting(s) to consider and approve the matter or make decisions by written resolutions;
- (d) the Nomination Committee provides to the Board with all the information required including information set out in Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) in relation to the candidate(s);
- (e) the Nomination Committee makes recommendation to the Board including the terms and conditions of the appointment;
- (f) the Board deliberates and decides on the appointment based upon the recommendation of the Nomination Committee;
- (g) all appointments of directors should be confirmed by a letter of appointment or director service agreement setting out the key terms and conditions of the appointment of the directors;
- (h) if an individual is appointed as an independent non-executive director, he or she shall submit to The Stock Exchange of Hong Kong a written confirmation which states his or her independence according to Rule 3.13 of the Listing Rules.
- (i) the Company discloses the details of director(s) required under Rule 13.51(2) and 13.74 of the Listing Rules;
- (j) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it 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 individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to be Board;

- the perspectives, skills and experience that the individual can bring to the Board; and
 - how the individual contributes to diversity of the Board; and
- (k) if an independent non-executive director serves more than 9 years, his further appointment should be subject to a separate resolution to be approved by shareholders. The papers to shareholders accompanying that resolution should include the reasons why the Board believes he is still independent and should be re-elected.

Nomination by shareholders

11. The shareholders of the Company may also propose a person for election as a director, details of which are set out in the “Procedures for Shareholders to Propose a Person for Election as a Director” of the Company.

REPORTING PROCEDURES

12. The secretary shall circulate the minutes of meeting of the Committee to all members of the Committee after each meeting.

ATTENDANCE IN ANNUAL GENERAL MEETING

13. The Chairman, or in the absence of the Chairman, another member of the Committee or failing him, his duly appointed delegate, shall attend the annual general meeting of the Company and be available to answer questions at the annual general meeting of the Company.