

# **LION ROCK GROUP LIMITED**

**(the “Company”)**

## **Terms of Reference of the Nomination Committee**

### **1. Membership**

- 1.1 The members of the Nomination Committee (the “Member(s)”) shall be appointed by the board of directors (“Director(s)”) of the Company (the “Board”) from time to time.
- 1.2 The majority of the Members shall be independent non-executive Directors (“INED(s)”).
- 1.3 The Nomination Committee shall consist of not less than two Members.
- 1.4 The chairman of the Nomination Committee shall be appointed by the Board and must be the chairman of the Board or an INED.

### **2. Secretary**

The Company Secretary shall serve as the secretary of the Nomination Committee.

### **3. Meetings**

- 3.1 The meetings of the Nomination Committee may be convened by any Member or by the secretary of the Nomination Committee on the request of a Member. Notice may be given in writing or by telephone or by facsimile or electronic transmission or other similar means or in such other manner as the Nomination Committee may from time to time determine.
- 3.2 The quorum of meeting of the Nomination Committee shall be any two Members.
- 3.3 Meetings can be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.4 Resolutions of the Nomination Committee at any meetings shall be passed by a simple majority of votes of the Members present.

3.5 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.

3.6 The secretary of the Nomination Committee shall circulate the full minutes of meetings of the Nomination Committee to all Members in draft for comments as soon as reasonably practicable. Final versions of minutes shall be prepared and sent to all Members and the Board as soon as practicable.

#### **4. Attendance at meetings**

4.1 At the invitation of the Nomination Committee, other members of the Board and any other persons may be invited to attend all or part of any meetings.

4.2 Only Members are entitled to vote at the meetings.

#### **5. Authority**

5.1 The Nomination Committee is authorised by the Board to obtain independent legal or other professional advice if considered necessary to perform its duties at the expense of the Company.

5.2 The Nomination Committee shall be provided with sufficient resources to perform its duties.

#### **6. Responsibility and Powers**

6.1 The Nomination Committee shall give adequate consideration to the following principles in carrying out its responsibilities:

a. The Board should have a balance of skills, and diversity of perspectives appropriate to the requirements of the Company's business. It should ensure that changes to its composition can be managed without undue disruption. It should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement. Non-executive directors should be of sufficient calibre and number for their views to carry weight.

- b. There should be a formal, considered and transparent procedure for the appointment of new directors. There should be plans in place for orderly succession for appointments. All directors should be subject to re-election at regular intervals. The reasons for the resignation or removal of any director must be explained.

6.2 The Nomination Committee shall have the following responsibilities and powers:

- a. 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;
- b. To identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- c. To assess the independence of INEDs;
- d. 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;
- e. Where the Board proposes a resolution to elect an individual as an INED at the general meeting, the Nomination Committee shall set out in the circular to shareholders of the Company and/or explanatory statement accompanying the notice of the relevant general meeting:
  - i. 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;
  - ii. if the proposed INED 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 the Board;
  - iii. the perspectives, skills and experience that the individual can bring to the Board; and
  - iv. how the individual contributes to diversity of the Board.

- f. The Nomination Committee shall have a policy concerning diversity of Board members, and such policy or a summary of the policy shall be disclosed in the corporate governance report.

## **7. Reporting procedures**

The Nomination Committee shall report to the Board after each meeting.

January 2019