

New Century Healthcare Holding Co. Limited

新世紀醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1518

**Terms of reference of
the Nomination Committee of the Board of the Company**

Adopted on December 22, 2016

DEFINITIONS

In these terms of reference, unless the context otherwise requires, the following terms have the meanings set out below:

“Board”	means the Board of Directors of the Company;
“Committee”	means the Nomination Committee of the Board of the Company;
“Company”	means New Century Healthcare Holding Co. Limited (新世紀醫療控股有限公司);
“Directors”	means the directors of the Company, and “Director” means any one of them;
“Independent Non-executive Directors”	means non-executive Directors meeting the requirements of independence set out in the Listing Rules, and “Independent Non-executive Director” means any one of them; and
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Objectives

1. The primary objectives of the Committee are to (i) identify and recommend to the Board appropriate candidates to serve as Directors, (ii) evaluate the Board composition and diversity, (iii) make recommendations to the Board on matters relating to succession planning, and (iv) assess the independence of Independent Non-executive Directors.

Membership

1. The Committee shall comprise not less than three Directors, the majority of whom shall be Independent Non-executive Directors.
2. The chairperson of the Committee shall be appointed by the Board and shall be the chairperson of the Board or an Independent non-executive Director. In the absence of the chairperson of the Committee, the Committee members present may elect any of their members who is either the chairperson of the Board or an Independent Non-executive Director to chair the meeting.
3. The secretary of the Committee shall be the Company's secretary or any person designated as such by the Committee from time to time.
4. If a regular Committee member is unable to act due to absence, illness or any other cause, the chairperson of the Committee may appoint any non-executive Director (other than a person who is already a Committee member) to serve as an alternate Committee member.

Proceedings

1. The quorum for meetings of the Committee shall be two members, one of whom must be an independent non-executive Director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all of the authorities, powers and discretions vested in or exercisable by the Committee.
2. The chairperson of the Committee may convene meetings at his discretion, but in any event meetings of the Committee are to be held not less than once every year, or at such frequency as required under the Listing Rules or other regulatory requirements applicable to the Company from time to time.

3. The secretary of the Committee shall, on the requisition of the members of the Committee, summon a meeting of the Committee. An agenda and accompanying papers shall be circulated to all Committee members (including alternate member(s) that may be appointed pursuant to paragraph 4 of the section headed “Membership” above) in a timely manner and at least three days before the intended date of a Committee meeting insofar as it is practicable.
4. All decisions of the Committee shall be made by majority vote.
5. Committee members may participate in a meeting by means of a conference telephone or other communications equipment through which all members participating in the meeting can communicate with each other simultaneously and instantaneously. For the purpose of counting a quorum, such member shall constitute presence at a meeting as if those participating were present in person.

Authority

1. The Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.
2. The Committee is authorized by the Board to obtain outside legal or other independent professional advice on any matters within its duties and responsibilities, including the advice of independent human resources consultancy or advisory firms, at the Company’s expense and to secure the attendance of any person with relevant experience and expertise at Committee meetings as it considers necessary or appropriate.
3. The Committee may also exercise such powers as it may consider necessary and expedient so that its duties and responsibilities under its terms of reference can be properly discharged.
4. The Committee shall be provided with sufficient resources to perform its duties and responsibilities in accordance with its terms of reference.

Duties and Responsibilities

1. The duties and responsibilities of the Committee include the following:
 - 1.1 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;
 - 1.2 to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - 1.3 to assess the independence of Independent Non-executive Directors;
 - 1.4 to make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular the chairperson and the chief executive;
 - 1.5 to have in place a policy concerning the diversity of Board members and review the policy, as appropriate; make recommendations to the Board on any proposed changes to the Board diversity policy as considered appropriate; review the measurable objectives that the Board has set for implementing the policy and the progress on achieving the objectives, where applicable; and to disclose the policy or a summary of the policy in the Corporate Governance Report of the Company;
 - 1.6 to report to the Board on the matters set out in these terms of reference and where the monitoring activities of the Committee reveal cause for concern or scope for improvement, to make recommendations to the Board to address those issues or effect those improvements;
 - 1.7 to review from time to time, as appropriate, these terms of reference and the effectiveness of the Committee, and make recommendations to the Board on any necessary changes; and
 - 1.8 to consider other topics as defined by the Board.

Reporting Procedures and Miscellaneous

1. Minutes of meetings of the Committee shall be kept by the secretary to the meetings of the Committee and shall be open for inspection at any reasonable time on reasonable notice by any Director. The secretary to any meeting of the Committee shall circulate the minutes for which he has acted as secretary in draft and final forms to all members of the Committee within a reasonable time after such meeting is held.
2. The Committee shall report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.
3. The chairperson of the Committee should attend annual general meetings of the Company to answer questions from the shareholders. In his/her absence, the Committee members present shall nominate another Committee member or failing this his/her duly appointed delegate to attend in his/her stead.