MANWAH

MAN WAH HOLDINGS LIMITED

敏華控股有限公司

(Incorporated in Bermuda with limited liability)

(the "**Company**")

(Stock Code: 01999)

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1.

1.1 The Committee shall be appointed by the board of directors of the Company (the "[illegible]") which shall consist of not less than 3 members and the majority of whom should be independent non-executive directors[1]. At lease one member of the Committee shall be of a different gender.

1.2 Appointments to the Committee shall be for a period of up to three years, which may be extended by the Board for further three year periods.

1.3 Only members of the Committee (including the Secretary) have the right to attend Committee meetings. However, other individuals such as the Chairman, the Chief Executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

1.4 Formal meetings of the Committee may be held by telephone or other communication equipment which allows those participating to hear and speak to each other, and the quorum in that event shall be any two Committee members so linked.

1.5 The Board shall appoint the chairman of the Committee (the "[illegible]") who shall be the chairman of the Board or an independent non-executive director and determine the period for which he will hold that office. In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting.

[1] Guidelines on independence of directors are set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

2.

The company secretary of the Company, or his/her nominee, shall act as the secretary of the Committee (the "").

3.

Unless varied by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's articles of association regulating the meetings and proceedings of the directors of the Company.

4.

The quorum for decisions of the Committee shall be any two independent non-executive directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5.

Meetings of the Committee shall be held as and when appropriate, but at least once a year, held to coincide with key dates within the financial reporting and audit cycle. The Committee Chairman or any other member may convene a meeting of the Committee whenever he or she considers it necessary or desirable.

6.

6.1 Meetings of the Committee shall be summoned by the Secretary at the request of any of its members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, with reasonable notice, before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7.

7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

7.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

7.3 Full minutes of meetings should be kept by the Secretary. Draft and final versions of minutes of the meetings should be sent to all members of the Committee for their comment and to all members of the Board for records respectively, in both cases within a reasonable time after the meeting.

8. A

The Committee Chairman or in his/her absence, another member of the Committee or failing that his/her duly appointed delegate shall attend the annual general meeting of the Company so as to be available to answer questions from the shareholders of the Company on matters within the scope of duties of the Committee.

9.

The duties of the Committee shall be to:

9.1 review the structure, size and composition (including but not limited to gender, age, cultural and educational background, skills, knowledge, professional experience and length of service) of the Board at least annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

9.2 identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;

9.3 assess the independence of independent non-executive directors, having regard to the requirements under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;

9.4 make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman of the Board and the chief executive officer of the Company;

9.5 develop and maintain the Board diversity policy, as appropriate; and review and monitor the effectiveness of the Board diversity policy; and

9.6 support the Company's regular evaluation of the Board's performance.

10.

10.1 The Committee Chairman shall report formally to the Board on its proceedings decisions and recommendations after each meeting on all matters within its duties and responsibilities unless there are legal or regulatory restrictions on the Committee's ability to do so.

10.2 The Committee shall make whatever recommendations to the Board that it deems appropriate on any area within its scope of duties where action or improvement is needed.

11. A

The Board authorizes the Committee to:

11.1 investigate any matter within its terms of reference and seek any information it requires from any employee in order to perform its duties (all employees being directed to co-operate with any such request by the Committee); and

11.2 to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

12.

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.