HUICHENG INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1146

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. ESTABLISHMENT

1.1. The Nomination Committee ("Nomination Committee") of Huicheng International Holdings Limited (the "Company") is established by the board of directors of the Company ("Board") to review the structure, size and composition of the Board and to recommend on matters in relation to appointments or re-appointments of directors of the Company (the "Directors").

1.2. Subject to the regulations contained in the Companies Law (as amended) of the Cayman Islands, the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited and the Articles of Association of the Company ("Articles"), the procedures of the Nomination Committee shall be regulated by the provisions set out in this Terms of References of Nomination Committee (the "Terms of References").

2. COMPOSITION

2.1. The Nomination Committee shall have at least three members (the "Members"), who shall be appointed by the Board out of their own number, the majority of whom must be independent non-executive Directors.

2.2 The Nomination Committee shall be chaired by the chairman of the Board or an independent non-executive Director.

2.3 The Board shall appoint at least one Director of a different gender to the Nomination Committee.

3. FUNCTIONS, POWERS AND DUTIES

3.1. The Nomination Committee shall make recommendations to the Board on all new appointments or re-appointments of Directors, including the continuation (or not) of service as an executive or non-executive Director, the establishment of a succession plan for Directors in particular the chairman of the Board and the chief executive officer and the composition of the Board after taking into account the balance between executive and non-executive Directors and between independent and non-independent directors.

3.2. The Nomination Committee shall review the structure, size, composition (including the skills, knowledge and experience) of the Board on a regular basis and at least annually, assist the Board in maintaining a board skills matrix and make recommendations to the Board to make any proposed changes.

3.3. The Nomination Committee shall identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships.

3.4. The Nomination Committee shall recommend Directors (including independent non-executive Directors) who are to retire by rotation to be put forward for re-election at each annual general meeting of the Company, having regard to the Directors' contribution and performance (such as their attendance, preparedness, participation and candour). The Nomination Committee will ensure that the names of Directors submitted for election or re-election at each annual general meeting shall be accompanied by such details and information to enable the shareholders of the Company to make an informed decision.

3.5. Annually the Nomination Committee shall determine whether or not an independent non-executive Director fulfil the tests of independence, by referring to the guidelines described in Rule 3.13 of the Listing Rules and other salient factors. To aid the determination by the Nomination Committee, every independent non-executive Director shall, on appointment, and subsequently on an annual basis, submit to the Nomination Committee a return in the form as provided as by the Nomination Committee on his/her independence. The Nomination Committee shall review the return and decide on whether such Director shall continue to be considered independent.

3.6. An independent Director shall notify the Nomination Committee immediately, if, as a result of a change in circumstances, he or she no longer meets the criteria for independence. The Nomination Committee, after considering the change in circumstances, in the light of the Listing Rules and the Terms of Reference, may take such action as it seems fit to maintain the independent element on the Board.

3.7. If the Nomination Committee determines that an independent non-executive Director who has failed one or more of the guidelines for assessing independence mentioned in Rule 3.13 of the Listing Rules is nevertheless independent, it shall disclose to the shareholders of the Company in full the nature of such Director's failure and shall be responsible for explaining why such Director should be considered independent.

3.8. The Nomination Committee shall propose nomination procedures to select candidates for directorship. The nomination procedures and any amendments thereof shall be approved by the Board.

3.9. The Nomination Committee shall also evaluate if there are changes in the nomination procedures and whether the changes are justified.

3.10. The Nomination Committee will have due regard to the principles of good corporate governance and the Listing Rules in considering Board membership.

3.11 The Nomination Committee shall support on the regular evaluation of the Board's performance. The Nomination Committee shall also assess each director's time commitment and contribution to the Board, as well as the director's ability to discharge his or her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of listed companies (if any) and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience.

4. MEETINGS

4.1. The Nomination Committee shall hold at least one meeting in each financial year of the Company to discharge its duties set forth in these Terms of Reference. The chairman or the Company Secretary on the requisition of the chairman shall at any time summon a meeting of the Nomination Committee.

4.2. Seven days' notice or such shorter notice as may be agreed by Members will be given by the Company Secretary, specifying the place, date, time and agenda of the meeting.

4.3. The chairman of the Nomination Committee shall chair all the Nomination Committee meetings.

4.4. The quorum necessary for the transaction of business of Nomination Committee shall be two, at least one of them must be an independent non-executive director.

4.5. Attendance may be in person or through electronic means of communication.

4.6. When necessary, written resolutions are circulated to all Nomination Committee Members for approval in between meetings.

4.7. Unless otherwise provided in these Terms of Reference, meetings and proceedings of the Nomination Committee shall be governed by the Company's Articles of Association regulating the meetings and proceedings of Directors and committees.

4.8. Questions arising at any Nomination Committee meeting shall be determined by a majority of votes given that no Member shall vote on any recommendation on his/her re-appointment.

4.9. The chairman (or in his/her absence, an alternative member) of the Nomination Committee shall attend the annual general meetings of the Company and be prepared to answer questions concerning the appointment of any Director.

4.10. The company secretary shall minute the proceedings and resolutions of all meetings as well as keep appropriate records. Any minutes signed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts stated therein. Minutes of all meetings shall be circulated to all the Members and if the chairman of the Nomination Committee so decides, be circulated to such other Director(s) who is/are not Member(s) of the Nomination Committee.

5. REPORTING RESPONSIBILITIES, MINUTES AND RECORDS

5.1. The Committee should report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report to the Board on the findings and recommendations of the Committee.

5.2. Reports to the Board and minutes of the Committee should be formally approved by the Committee before reporting to the Board. The Company Secretary shall circulate the minutes of Committee meetings and reports of the Committee to all members of the Board.

5.3. Minutes of the Committee meetings shall record in sufficient detail the matters considered by the Committee and decision reached, including any concerns raised by the Committee members or dissenting views.

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

5.5. Any Committee member may inspect the minutes of the Committee meetings at any reasonable time on any reasonable notice.