TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

In accordance with the code provisions of the Corporate Governance Code issued by the Stock Exchange, a Nomination Committee shall be established, the terms of reference of which are set out herein and adopted accordingly.

1. Organization

To improve the governance structure of Jiangsu Xinde Semiconductor Technology Co., Ltd. (hereinafter referred to as the "Company"), assist the Board in making scientific decisions and promote the efficient management by its management, the Company hereby establishes the Nomination Committee of the Board (hereinafter referred to as the "Committee").

2. Objective

The primary objective of the Committee is to regularly review the structure of the Board and make recommendations to the Board regarding any proposed change to the structure of the Board. The Committee is accountable to the Board.

3. Members

3.1 The Committee shall comprise a minimum of three Directors, including at least one member of a different gender. The members of the Committee shall be appointed or removed by the Board. If any member of the Committee ("Member(s)") ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of a new Member by the Board.

3.2 The majority of the Members of the Committee shall be independent non-executive Directors.

3.3 The Committee shall have one chairman, who shall be the chairman of the Board or an independent non-executive Director and shall be duly appointed by the Board.

3.4 The term of office of the Committee shall be consistent with that of the Board, and its members shall be eligible for re-election and re-appointment.

4. Secretary of the Committee

Unless otherwise appointed by the Committee, the company secretary of the Company shall act as the secretary of the Committee. In the absence of a company secretary, the secretary to the Board of the Company shall act as the secretary of the Committee. If there is no secretary to the Board, any other person nominated by a Member and approved by the Committee shall serve as the secretary of the Committee.

5. Powers and Duties

5.1 The Committee is authorized by the Board to review, assess and make recommendations upon any issue within its scope of powers.

5.2 Without prejudice to the generality of the foregoing, the duties of the Committee are as follows:

(a) review the structure, size and composition (including without limitation the skills, knowledge, experience and length of service) of the Board and the Board Diversity Policy, at least annually, to evaluate whether the Board has committed adequate time to discharge its duties and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(b) regularly review the contribution required from Directors to discharge their duties and whether they have devoted sufficient time to fulfil their responsibilities, and regularly conduct any other assessments required under the Listing Rules, taking into account the Directors' professional qualifications and work experience, their existing directorships in issuers listed on the Main Board or GEM and the time commitment involved in their other significant external commitments, as well as other factors or circumstances relating to the Directors' character, integrity, independence and experience;

(c) review the Company's Board Diversity Policy and the progress on achieving the objectives set for implementing the said policy;

(d) consider the selection criteria of Directors and senior management of the Company, identify individuals suitably qualified to become Board members and senior management and select and nominate candidates to act as Directors and senior management, or make recommendations to the Board in this regard for its approval;

(e) assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence; and disclose its review results in the corporate governance report;

(f) identify and nominate candidates to fill casual vacancies of Directors and senior management of the Company for the Board's approval;

(g) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;

(h) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;

(i) conform to any requirement, guideline and rule that may be contained in the articles of association or imposed by the Listing Rules or applicable law.

5.3 In carrying out its functions, the Committee shall give due consideration to the Company's Board Diversity Policy.

5.4 The Committee shall be provided with sufficient resources to enable it to perform its functions, including the resources for seeking independent professional advice.

5.5 The Committee shall perform and report to the Board the matters as set out in code provision A.5 in Appendix 14 to the Listing Rules.

6. Committee Meetings

6.1 Frequency of meetings

There shall be at least one meeting of the Committee annually to be convened, which may be held in person, by telephone or video conference. Extraordinary meetings may be convened when necessary.

6.2 Notice of meeting

Unless all Members unanimously agree to waive notice, the secretary of the Committee shall give seven days' prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

6.3 Quorum

A meeting of the Committee shall be valid only if more than half of the Members are present.

6.4 Means of holding meetings

Meetings may be convened in person, by telephone or by video conference. Members may participate in a meeting by telephone or similar means that enable all participants to hear and communicate with one another, and any Member participating by such means shall be deemed to be present at the meeting. Resolutions may also be passed by written resolution, provided that all Members agree.

The chairman of the Committee shall be responsible for convening and presiding over meetings of the Committee. When the chairman of the Committee is unable or refuses to perform his/her duties, an independent non-executive Director Member jointly elected by a majority of the Members shall preside.

Members shall attend the Committee meetings in person and express clear opinions on the matters under deliberation. If a Member is unable to attend a meeting in person for any reason, he/she shall review the meeting materials in advance, form a clear opinion, record such opinion in a proxy form, and appoint another Member in writing to attend on his/her behalf.

Each Member may act as a proxy for no more than one other Member, and the proxy form must specify the scope and duration of the authorization. If an independent non-executive Director is unable to attend a meeting for any reason, he/she shall appoint another independent non-executive Director on the Committee as his/her proxy.

6.5 Resolutions

Each Member shall have one vote, and a resolution of the Committee shall be valid only if approved by a majority of the Members present at the meeting. A resolution signed in writing by all Members of the Committee, whether or not a meeting is held, shall be valid and legally effective. Any such resolution may be contained in a single document or may consist of several documents in like form.

6.6 Attendees

The Committee may invite any executive Directors, external advisers or other individuals to attend its meetings but such executive Directors, advisers or individuals shall not be entitled to vote at the meetings of the Committee. Where necessary, the Committee may engage intermediary institutions to provide professional advice to assist it in making decisions, with the fees and expenses thereof to be borne by the Company.

6.7 Minutes of the meetings

The secretary of the Committee shall maintain full minutes of all meetings of the Committee. The minutes shall contain a detailed record of the matters considered and decisions reached by each Member at the meetings, including any concerns raised or dissenting opinions expressed by any Member. Members attending the meetings and the recorder of the minutes shall sign the minutes.

7. Report

The chairman of the Committee or other Member who is authorized by the chairman of the Committee to chair the meetings shall report to the Board after each meeting of the Committee.

8. Availability and Update of the Terms of Reference

These terms of reference shall be updated and amended as necessary in light of circumstances and changes in Hong Kong's regulatory requirements (such as the Listing Rules). Information regarding these terms of reference shall be made available to the public by publication on the websites of the Company and the Stock Exchange.

9. Supplementary Provisions

9.1 Matters not covered in these terms of reference shall be governed by relevant laws, regulations, rules, regulatory requirements and the Articles of Association.

9.2 The right to interpret these terms of reference rests with the Board.