HOSIN Electronics Co., LTD.

Terms of Reference of the Nomination Committee of the Board

Chapter 1 General Provisions

Article 1 These Terms of Reference are formulated for the purpose of further regulating the mechanism for the appointment of Directors and senior management of HOSIN Electronics Co., LTD. (the "**Company**"), optimising the composition of the Board and improving the corporate governance structure of the Company, in accordance with the relevant provisions of the Company Law of the PRC (the "**Company Law**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Articles of Association of HOSIN Electronics Co., LTD. (the "**Articles of Association**").

Article 2 The Nomination Committee is a specialised working body established by the Board, and is primarily responsible for selecting and making recommendations on the candidates for, and the selection criteria and procedures in respect of, the Directors and senior management of the Company.

Article 3 Senior management referred to in these Terms of Reference means the general manager, the secretary to the Board, the finance director appointed by the Board and other senior management personnel provided for in the Articles of Association.

Chapter 2 Composition of the Committee

Article 4 The Nomination Committee shall comprise at least three Directors, a majority of whom must be independent non-executive Directors.

Article 5 The chairperson of the Board and Director(s) representing not less than one-half of the total number of Directors on the Board shall have the right to nominate candidates for members of the Committee. Members of the Committee shall be appointed by a resolution passed by more than half of all the Directors. Upon the passing of the resolution electing a member of the Committee, the newly appointed member shall take office immediately after the conclusion of the meeting of the Board.

Article 6 The Nomination Committee shall have one convenor (chairperson), who shall be an independent non-executive Director and shall be responsible for presiding over the work of the Committee. The convenor (chairperson) shall be elected by the members of the Committee and reported to the Board for filing.

Article 7 The term of office of the Nomination Committee shall be the same as that of the Directors of the Company. The members may serve consecutive terms if re-elected upon the expiration of their terms. Before the expiry of the term of office of a member of the Nomination Committee, he or she shall not be removed from office without cause unless circumstances arise that disqualify him or her from holding office under the Company Law, the securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association or these Terms of Reference. If a member ceases to hold the office of Director of the Company by reason of resignation or any other reason, his or her membership of the Committee shall automatically cease at the time he or she ceases to be a Director. The Board shall appoint a new member in accordance with the Articles of Association and these Terms of Reference.

Article 8 Where a member of the Committee is under any of the following circumstances, the Board shall remove him or her from office:

(I) he or she breaches any law, regulation, rule or the discipline of the Committee;

(II) he or she fails to discharge his or her duties with due diligence, is absent from meetings of the Committee twice without good reason, or is unable to issue an opinion on the matters to be reviewed on three occasions;

(III) he or she submits a written application for resignation, or ceases to be suitable to continue serving as a member during his or her term of office due to a change in his or her position;

(IV) any other circumstance under which he or she is unsuitable to serve as a member of the Committee.

A member of the Nomination Committee may tender his or her resignation to the Board before the expiry of his or her term of office, and the resignation report shall contain the necessary explanation of the reasons for resignation and the matters requiring the attention of the Board of the Company.

Chapter 3 Duties of the Committee

Article 9 The Nomination Committee shall be responsible for formulating the selection criteria and procedures for Directors and senior management, for selecting and reviewing candidates for Directors and senior management and their qualifications for office, and for making recommendations to the Board on the following matters:

(I) to study and formulate the selection criteria and procedures for Directors and senior management and to make recommendations to the Board, taking into account factors including but not limited to: culture, educational background and professional experience;

(II) to identify individuals suitably qualified to become Directors, to make recommendations to the Board on the nomination of Directors, to make recommendations to the Board on the appointment or re-appointment of Directors and on succession plans for Directors (in particular the chairperson of the Board and the general manager), and to review and make recommendations on candidates for Directors of the Company (in particular the chairperson of the Board and the chief executive). When identifying suitable candidates, the Nomination Committee shall consider the strengths of the relevant candidates and, on an objective basis, give due regard to the benefits of diversity of the Board;

(III) in the course of engaging or dismissing senior management, to review and make recommendations on candidates for senior management of the Company (in particular the general manager);

(IV) to review the independence of the independent non-executive Directors;

(V) to review, at least once a year, the structure, size, composition and diversity of the Board (including gender, age, cultural and educational background, skills, knowledge, professional experience and length of service), to assist the Board in preparing a Board skills matrix, and to make recommendations to the Board on any proposed changes to the Board to complement the Company's strategy;

(VI) to support the Company in regularly evaluating the performance of the Board;

(VII) other matters as provided in the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Where the Board does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record in the resolution of the Board the opinions of the Nomination Committee and the specific reasons for non-adoption, and shall make disclosure in accordance with the securities regulatory rules of the place where the shares of the Company are listed (if required).

Article 10 Any matter falling within the scope set out in Article 9 of these Terms of Reference which is subject to the deliberation of the Board must first be deliberated and approved by the Nomination Committee before it may be submitted to the Board for its deliberation.

Chapter 4 Decision-Making Procedures

Article 11 The Nomination Committee shall, in accordance with the relevant laws and regulations, the Listing Rules and the Articles of Association, and in light of the actual circumstances of the Company, study the qualifications for election, the selection procedures and the term of office of the Directors and senior management of the Company, and upon forming a resolution, shall file the same for record and submit it to the Board for deliberation and approval, and shall implement it accordingly.

Article 12 The procedures of the Nomination Committee for the selection and appointment of Directors and senior management are as follows:

(I) the Nomination Committee shall actively communicate with the relevant departments of the Company, study the Company's needs for new Directors and senior management, and prepare written materials;

(II) the Nomination Committee may extensively search for candidates for Directors and senior management within the Company, among its controlling (or participating) enterprises and in the talent market;

(III) to collect information on the shortlisted candidates, including their occupation, academic qualifications, professional titles, detailed work experience and all concurrent positions, and prepare written materials;

(IV) to seek the consent of the nominee to the nomination, failing which he or she may not be treated as a candidate for Directorship or senior management;

(V) to convene meetings of the Nomination Committee and, in accordance with the qualifications for office of Directors and senior management, to conduct a qualification review of the shortlisted candidates;

(VI) to submit to the Board the recommendations and relevant materials in respect of the candidates for Directors and the candidates for newly engaged senior management, one to two months prior to the election of new Directors and the engagement of new senior management;

(VII) to carry out other follow-up work in accordance with the decisions and feedback of the Board.

The qualifications for office of the Directors and senior management of the Company shall be those required by the applicable laws and regulations and other systems of the Company.

Chapter 5 Rules of Procedure

Article 13 In principle, the Nomination Committee shall issue a notice of meeting three days prior to the convening of the meeting (excluding the date of the notice and including the date of the meeting). In urgent circumstances, the above notice period may be waived. The agenda of regular meetings of the Nomination Committee and the relevant meeting documents shall be sent in full to the members of the Committee in a timely manner, and shall be despatched at least three days prior to the scheduled date of the Nomination Committee meeting (or within such other time as agreed). All other meetings of the Nomination Committee shall, so far as practicable, also adopt the above arrangements.

Meetings of the Nomination Committee shall be convened and presided over by the convenor (chairperson). Where the convenor (chairperson) is unable or fails to perform his or her duties, he or she shall designate another member to act on his or her behalf. Where the convenor (chairperson) neither performs his or her duties nor designates another member to act on his or her behalf, any member may report the matter to the Board of the Company, and the Board of the Company shall designate a member to perform the duties of the convenor (chairperson) of the Nomination Committee.

Members of the Nomination Committee shall attend its meetings in person. Where a member is unable to attend for any reason, he or she may entrust another member in writing to attend on his or her behalf. Where a member neither attends a meeting of the Nomination Committee nor entrusts another member to attend, he or she shall be deemed to have waived his or her voting right at that meeting. Where a member of the Nomination Committee fails, on two consecutive occasions, either to attend in person or to entrust another member to attend meetings of the Committee, he or she shall be deemed unable to perform his or her duties, and the members of the Nomination Committee shall recommend that the Board replace him or her. Where a member of the Nomination Committee entrusts another member to attend a meeting and exercise the voting right on his or her behalf, he or she shall submit a written power of attorney to the chairperson of the meeting.

Article 14 A meeting of the Nomination Committee shall be held only if more than half of the members are present. Each member shall have one vote; resolutions made at a meeting shall be passed by more than half of all the members.

Article 15 Meetings of the Nomination Committee shall in principle be held in person. Provided that all participating members are able to communicate fully and express their views, meetings may, where necessary, be held by video conference, telephone or other means in accordance with the procedures. Voting at meetings of the Nomination Committee shall be by show of hands or by poll.

Article 16 Where necessary, meetings of the Nomination Committee may invite Directors and senior management of the Company and experts in the relevant fields to attend as non-voting attendees. Where a meeting of the Nomination Committee discusses a matter in which a member of the Committee has a connected relationship, that connected member shall recuse himself or herself. If the number of non-connected members attending the meeting is less than one-half of the total number of members of the Committee, the matter shall be submitted to the Board for deliberation.

Article 17 Where necessary and subject to the approval of the Board, the Nomination Committee may engage an intermediary institution to provide professional advice for its decision-making, and the fees shall be borne by the Company.

Article 18 The convening procedures of, and the voting methods adopted at, meetings of the Nomination Committee, and the resolutions passed at such meetings, shall comply with the provisions of the relevant laws and regulations, the Listing Rules, the Articles of Association and these Terms of Reference. Resolutions requiring the approval of the Board shall be submitted to the secretary to the Board after the meeting.

Article 19 Minutes shall be kept of meetings of the Nomination Committee, recording in sufficient detail the matters considered and the decisions reached at the meeting, including any concerns raised or dissenting views expressed by members. The draft and final versions of the minutes of meetings of the Nomination Committee shall be sent to all members of the Nomination Committee within seven days after the meeting, the draft version for the members to express their views and the final version for their records. Members attending the meeting shall sign the minutes. The resolutions and minutes of the Nomination Committee shall be kept as corporate records by the secretary to the Board for a period of not less than ten years. The minutes shall be available for inspection by any Director at any reasonable time upon reasonable notice.

Article 20 Resolutions passed and the voting results of meetings of the Nomination Committee shall be reported to the Board of the Company in writing. In respect of any resolution on which a unanimous view is genuinely difficult to form, the differing views shall be submitted to the Board together with an explanation.

Article 21 All members attending a meeting shall be under a duty of confidentiality in respect of the matters discussed at the meeting, and shall not disclose the relevant information without authorisation, failing which they shall be liable for the adverse consequences arising therefrom.

Chapter 6 Supplementary Provisions

Article 22 Matters not covered by these Terms of Reference shall be dealt with in accordance with the provisions of the relevant laws and regulations of the State, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association. Where these Terms of Reference conflict with the laws and regulations of the State promulgated in the future, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association as amended through lawful procedures, the provisions of the relevant laws and regulations of the State, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association shall prevail.

Article 23 These Terms of Reference shall be interpreted by the Board of the Company.

Article 24 These Terms of Reference shall take effect and be implemented from the date on which they are considered and approved by the Board of the Company and the overseas listed shares (H Shares) issued by the Company are listed on The Stock Exchange of Hong Kong Limited. Upon the implementation of these Terms of Reference, the Company's former Terms of Reference of the Nomination Committee of the Board of Directors shall automatically cease to be effective.