

EGGRICULTURE FOODS LTD.

永續農業發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8609)

(the “Company”)

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

(Adopted by the Company on 15 August 2018 and revised on 31 December 2018)

I. CONSTITUTION

1. The board (the “**Board**”) of directors (the “**Directors**”) of Eggriculture Foods Ltd. (the “**Company**” together with its subsidiaries, the “**Group**”) has resolved to establish a committee of the Board known as the nomination committee (the “**Committee**”) with the authority, responsibility and specific duties as described below.

II. MEMBERSHIP

2. The members of the Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors (the “**INEDs**”).

III. CHAIRMAN

3. The chairman of the Committee (the “**Chairman**”) shall be appointed by the Board and shall be either the chairman of the Board or an INED.
4. The chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

IV. SECRETARY

5. The company secretary of the Company (the “**Company Secretary**”) shall be the secretary of the Committee. In the absence of the Company Secretary, his/her duly appointed delegate(s) or any person elected by the members present at the meeting of the Committee, shall attend the meeting of the Committee and take minutes.

V. ATTENDANCE AT MEETINGS

6. The quorum for meetings of the Committee shall be any two members (at least one of whom should be an INED).

VI. FREQUENCY AND PROCEEDINGS OF MEETINGS

7. Meetings of the Committee shall be held not less than once a year and at such other times as the Chairman may require.

8. The meetings and proceedings of the Committee are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of the Board.
9. Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication or in such other manner as the members may agree.
10. The other Directors, Company Secretary (or his/her duly appointed delegate(s)), human resources officer and relevant senior management and persons(s) invited by a Committee member may attend meetings of the Committee from time to time where the Committee considers their presence necessary or appropriate to assist the Committee to perform its duties.

VII. NOTICE OF MEETINGS

11. The Chairman shall convene a meeting upon request by any member of the Committee.
12. Agenda and accompanying supporting papers shall be sent to all members of the Committee and to other invited attendees as appropriate at least 3 days before the date of the meeting (or such other period as the members may agree).

VIII. RESOLUTIONS IN WRITING

13. A resolution in writing signed by all of the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents all in like form.

IX. ANNUAL GENERAL MEETINGS

14. The Chairman (or in his absence, another member of the committee or failing this, his duly appointed delegate) shall attend the Company's annual general meetings and be prepared to respond to any shareholders' questions on the Committee's activities.

X. AUTHORITY

15. The Committee is authorised by the Board to perform any activity within these terms. It is authorised to seek any information it requires from any employee of the Group and all employees are directed to co-operate with the Committee.
16. The Committee is authorised by the Board to obtain, at the Company's expense, external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Committee shall be provided with sufficient resources to perform its duties. The Committee shall be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external party who advises the Committee.

XI. DUTIES

17. The duties of the Committee shall be:

- (a) to review the structure, size and composition (including the skills, knowledge and experience, with due regard to the Board diversity policy) required of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) 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;
- (c) to identify and nominate for the approval of the Board, candidates to fill board vacancies as and when they arise;
- (d) to assess the independence of INEDs with reference to the requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**");
- (e) to make recommendations to the Board concerning the plans for succession for both executive and non-executive Directors and for the roles of the chairman and the chief executive;
- (f) where the Board proposes a resolution to elect an individual as an INED at the general meeting, the Committee should set out in the circular to shareholder and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (i) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - (ii) if the proposed INED will be holding their seventh (or more) listed company directorship, why the board believes the individual would still be able to devote sufficient time to the Board;
 - (iii) the perspectives, skills and experience that the individual can bring to the Board; and
 - (iv) how the individual contributes to diversity of the Board
- (g) to monitor the implementation of the Board diversity policy, review and discuss revisions that may be required, and recommend any such revisions to the Board for approval; and make disclosure of its review results in the corporate governance report; and

- (h) to conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by the GEM Listing Rules or applicable law.

XII. BOARD NOMINATION POLICY

- 18. The provisions set out in paragraph 17(a), (b) and (d) are regard as the key nomination criteria and principles of the Company for the nomination of Directors, and these provisions constitute the nomination policy of the Company (the “**Board Nomination Policy**”).

XIII. REPORTING PROCEDURES

- 19. Full minutes of the Committee's meetings shall be kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary or a duly appointed representative). The minutes shall be made available for inspection on reasonable notice by any Director. Minutes of meetings of the Committee shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by members or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all members of the Committee for their comment and records within a reasonable time after such meetings or before passing of the written resolutions.
- 20. Without prejudice to the generality of the duties of the Committee set out in these terms, the Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.
- 21. The Committee shall make a statement in the annual report about its activities, the process used and criteria adopted to make appointments and whether external advice and/or open advertising was used.
- 22. The Committee should evaluate its own performance, these terms of reference, and its membership annually to ensure it is performing its duties effectively, and recommend to the Board any changes it considers necessary.

XIV. PUBLICATION OF THE TERMS OF REFERENCE

- 23. The Committee shall make available these terms by publishing them on the websites of the Company and The Stock Exchange of Hong Kong Limited.

XV. INTERPRETATION AND AMENDMENTS

- 24. The power of interpretation of these terms of reference shall be vested in the Board.
- 25. The Board may amend these terms of reference from time to time.

(If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.)