NEPTUNE GROUP LIMITED

海王國際集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00070)

NOMINATION COMMITTEE TERMS OF REFERENCE

1. CONSTITUTION

1. 1.1 The Nomination Committee (the "**Committee**") of Neptune Group Limited (the "**Company**") is a committee of the board of directors of the company (the "**Board**").

2. MEMBERSHIP

2. 2.1 The Nomination Committee members shall be appointed by the Board. A majority of the Nomination Committee members should be independent non-executive directors.

3. 2.2 The Nomination Committee shall consist of at least 3 members.

4. 2.3 The chairman of the Nomination Committee shall be appointed by the Board. The chairman of Nomination Committee must be chaired by an independent non-executive director or Chairman of the Board of Directors.

5. 2.4 The company secretary of the Company shall act as the secretary of the Committee. The Nomination committee may from time to time appoint any other person with appropriate qualification and experience as secretary of the Nomination Committee.

3. FREQUENCY AND PROCEEDINGS OF MEETINGS

6. 3.1 Meetings shall be held not less than once a year. Additional meetings shall be held as the work of the Nomination Committee demands. In addition, the chairman of the Nomination Committee may convene additional meetings at his discretion.

7. 3.2 A quorum of a meeting shall be two members of the Committee.

8. 3.3 Other Board members, apart from the Committee members, have the right to attend any Committee meetings, though they will not be counted in the quorum.

9. 3.4 The meetings and proceedings of the Nomination Committee are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of Directors.

4. AUTHORITY

10. 4.1 The Nomination Committee is authorized by the Board to make full use of internal resources and intermediary agencies for identifying qualified director candidates at the Company's expense.

11. 4.2 The Nomination Committee is authorized by the Board to conduct interviews with prospective candidates for nomination.

12. 4.3 The Nomination Committee is authorized by the Board where necessary to have access to independent professional advice. The professional advice should be sought through Company Secretary.

5. DUTIES, ROLES AND FUNCTIONS

13. 5.1 The duties of the Nomination Committee shall be:

(a) to review the structure, size, composition and diversity (including but not limited to skills, knowledge, gender, age, cultural and educational background, or professional experience) of the Board at lease annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(b) to identify suitably qualified individuals to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships on merits and against objective criteria, with due regard on the benefits of diversity on the Board;

(c) to assess the independence of independent non-executive directors;

(d) to 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 of the Company, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future;

(e) to review the Board Diversity Policy, as appropriate, and review the measureable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually;

(f) to perform its duties with sufficient resources made available to it and seek independent professional advice, at the Company's expense, to perform its responsibilities when necessary; and

(g) to consider other topics and defined by the Board.

14. 5.2 The Nomination Committee shall be provided with sufficient resources to enable it to perform its functions, including the resources for seeking independent professional advice.

6. REPORTING PROCEDURE

15. 6.1 The Nomination Committee is required to report back to the Board on their decisions and recommendations as and when appropriate.