

SPACKMAN ENTERTAINMENT GROUP LIMITED

NOMINATING COMMITTEE – TERMS OF REFERENCE

1. General Scope and Authority

- 1.1 The Nominating Committee (the “**NC**”) is a Committee of the Board of Spackman Entertainment Group Limited (the “**Company**”, and together with its subsidiaries, the “**Spackman Group**”) established by a resolution of the Board of Directors of the Company (the “**Board**”).
- 1.2 The primary purpose of the NC is to support and advise the Company and the companies in the Spackman Group in fulfilling their responsibilities to shareholders in ensuring that the boards of the Company and the Spackman Group are comprised of individuals who are best able to discharge their responsibilities as directors. The NC, having regard to the law and the highest standards of corporate governance, shall identify suitable candidates for appointment who can value add to the management through their contributions in the relevant strategic business areas and such appointments will result in the constitution of strong and diverse boards.
- 1.3 In addition, the NC may review any amendments to the legislation, rules, regulations, codes or guidelines applicable to the Company and/or the Spackman Group which fall within the purview of the NC. In the event of any conflict between the provisions of this Terms of Reference (the “**TOR**”) for the NC and the provisions of the Code of Corporate Governance (the “**CG Code**”), and unless the Board resolve otherwise, the provisions of the CG Code shall prevail and the provisions of this TOR shall be deemed amended to such extent as may be necessary to remove such conflict.

2. Composition

- 2.1 The NC shall consist of at least three (3) directors, a majority of whom, including the Chairman, are independent non-executive directors.
- 2.2 In the event that a member of the NC retires, is removed or resigns from the Board, that member shall cease to be a member of the NC.
- 2.3 The Board may, as it so decides, remove any member from the NC.
- 2.4 Any vacancy in the NC shall be filled within three (3) months.

3. Meetings

- 3.1 The NC shall meet as frequently as it is required.
- 3.2 Any NC member or the Secretary may call a meeting of the NC. The secretary of the NC shall be the Company Secretary for the time being or, such other person as may nominated by the NC.
- 3.3 Seven (7) days, or such other shorter notice as may be agreed by the NC members, shall be forwarded to each member of the NC confirming the date, time, venue and agenda.
- 3.4 The Secretary shall attend all meetings and minute the proceedings thereof.
- 3.5 All members should have access to the advice and services of the Secretary with a view to ensuring that all applicable procedures, rules and regulations are followed.
- 3.6 The NC shall be provided with sufficient resources to perform its duties.
- 3.7 The NC shall have access to professional advice from employees within the

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Spackman Group and from appropriate independent external advisers at the Company's expense. The NC may meet with these external advisers without the management being present.

- 3.8 Minutes of proceedings and resolutions of NC meetings shall be kept by the Secretary. Minutes should record in sufficient detail the matters considered by the NC and decisions reached, including any concerns raised by the members or dissenting views expressed. Draft and final versions of minutes should be sent to all NC members for their comments and records respectively, within a reasonable time after the NC meeting is held.

4. Quorum and Voting

- 4.1 A quorum will comprise any two (2) NC members. In the absence of the NC Chairman or his appointed delegate, the members shall elect one of their members as Chairman for that meeting. All decisions at any meeting of the NC shall be decided by a majority of votes of the NC members present and voting (the decision of the NC shall at all times exclude the vote, approval or recommendation of any member who has a conflict of interest in the subject matter under consideration).
- 4.2 Each member shall have one (1) vote.
- 4.3 In the event of equality of votes, the Chairman of the NC shall have a second or casting vote.
- 4.4 A resolution in writing, signed by the requisite majority of the NC members for the time being entitled to receive notice of a meeting to the NC and vote, shall be as valid and effectual as if it had been passed at a meeting of the NC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the NC.

5. Duties and Responsibilities

- 5.1 The duties and responsibilities of the NC shall be as follows:
- (a) The NC shall review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
 - (b) The NC shall identify individuals suitably qualified to be Board members, review and recommend the candidates to the Board for appointments to the Board and Board committees. However, the appointment of existing Board members to Board committees need not be endorsed by the NC.
 - (c) The NC shall assess on an annual basis the independence of independent non-executive directors of the Company.
 - (d) The NC shall also review and recommend the nomination for re-appointment or re-election or renewal of appointment of directors on the Board, and succession planning for the directors of the Company, in particular the Chairman of the Board and the Chief Executive Officer. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.
 - (e) The NC shall review and recommend candidates to be the Company's nominees on

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the boards and board committees within the Spackman Group.

- (f) The NC shall propose, for approval by the Board, a formal annual assessment including objective performance criteria (that allows comparison with the Company's industry peers) to evaluate the effectiveness of the Board as a whole and its committees and the contribution by the Chairman and each individual Director to the effectiveness of the Board. Once approved by the Board, the performance criteria shall not be changed without proper justification from the Board. In drawing up such performance criteria, the NC may consider, inter alia, the following (and such other factors as may be specified in the Code from time to time):
 - (i) comparison with the Company's industry peers;
 - (ii) how the Board has enhanced long term Shareholder value;
 - (iii) return on assets;
 - (iv) return on equity;
 - (v) return on investment;
 - (vi) economic value added;
 - (vii) in making individual evaluations, assess whether each Director continues to contribute effectively and demonstrate commitment to the role (including commitment of time for Board and committee meetings, and any other duties); and
 - (viii) the Chairman of the Board should act on the results of the performance evaluation, and in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of Directors.
 - (g) The NC shall review the training and professional development programs for the Board.
 - (h) The NC shall decide, in relation to a Director who has multiple board representations, whether or not such Director is able to and has been adequately carrying out his duties as Director of the Company taking into consideration the Director's number of listed company board representations and other principal commitments. Guidelines should be adopted that address the competing time commitments faced when Directors serve on multiple boards. The Board should determine the maximum number of listed company board representations which any director may hold, and disclose this in the Company's Annual Report.
 - (i) The NC shall review and approve any new employment of related persons and the proposed terms of their employment.
- 5.2 The NC should report to the Board on its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.
- 6. Update of Terms of Reference**
- 6.1 These TOR will be subject to review by the Board from time to time.
- 7. Disclosure of Terms of Reference**

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- 7.1 These TOR will be published in the Company's website and published in the Company's Annual Report.