

JF TECHNOLOGY BERHAD
(Company No. 747681-H)
(Incorporated in Malaysia)

TERMS OF REFERENCE OF NOMINATION COMMITTEE
(Adopted on 27 April 2016)

1. Objectives

The principal objective of the Nomination Committee is to assist the Board of Directors in their responsibilities for proposing new nominees to the Board of Directors and for assessing the Directors of the Company on an on-going basis.

2. Composition of members

The Board of Directors shall elect the Nomination Committee members from amongst themselves, composed exclusively of non-executive directors, a majority of whom are independent.

3. Chairman

The Chairman of the Nomination Committee shall be elected from amongst the Nomination Committee members. The Chairman of the Committee shall be approved by the Board of Directors.

4. Secretary

The Secretary of the Nomination Committee shall be the Company Secretary of the Company.

5. Meetings

The Nomination Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion.

The Secretary shall on the requisition of the members of the Nomination Committee summon a meeting of the Nomination Committee except in the case of an emergency, reasonable notice of every Nomination Committee meeting shall be given in writing.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

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(Terms of Reference of Nomination Committee - cont'd)

6. Quorum

A quorum shall consist of two (2) members.

7. Circular Resolutions

A resolution in writing signed by a majority of the Nomination Committee members for the time being not being less than two (2) Nomination Committee members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly called and constituted. Any such resolution may consist of several documents in like form each signed by one (1) or more Nomination Committee members. Any such document, may be accepted as sufficiently signed by a Nomination Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message purporting to include a signature of a Nomination Committee member.

8. Authority

The Nomination Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company,

- (a) shall annually review the required mix of skills and experience and other qualities, including core competencies which non-executive and executive directors should have.
- (b) shall assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual director including non-executive directors and Chief Executive Officer.
- (c) shall be entitled to the services of a company secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from Bursa Malaysia Securities Berhad ACE Market Listing Requirements or other regulatory requirements.

9. Duties and Responsibilities

The duties and responsibilities of the Nomination Committee are as follows:-

- To recommend to the Board of Directors, candidates for all directorships to be filled by the shareholders or the Board of Directors. In making its assessment and recommendations, the Nomination Committee should consider following criteria to be used in the recruitment process:-

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- (a) skills, knowledge, expertise and experience;
 - (b) professionalism;
 - (c) integrity; and
 - (d) in the case of candidates for the position of independent non-executive directors, the Nomination Committee should evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- To consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any director or shareholder.
 - To recommend to the Board of Directors the nominees to fill the seats on Board Committees.
 - To implement annual assessment on the effectiveness of the Board of Directors as a whole, the committees of the Board, as well as the contribution of each individual director, including non-executive directors and Chief Executive Officer. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions should be properly documented.
 - To review annually, the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and members have carried out their duties in accordance with the terms of reference of the Audit Committee.
 - To ensure that the Board composition meets the needs of the Company.
 - To look into orientation and education programmes for new recruits to the Board.
 - To review the required mix of skills and experience and other qualities including core competencies which non-executive directors should bring to the Board.
 - To formulate and review the succession plans for the Company's key management personnel.
 - To review training programmes for the Board of Directors and to facilitate Board induction and training programmes, including induction training for new Board members.
 - To assess an independent director can remain as an independent director after serving a cumulative term of nine (9) years. Nomination Committee must make a recommendation and strong justification to the Board of Directors.
 - To act in line with the directions of the Board of Directors.
 - To consider and examine such other matters as the Nomination Committee considers appropriate.