



MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOMINATION COMMITTEE

– TERM OF REFERENCE

(A) OVERVIEW

The Board of Directors (“the Board”) of Muar Ban Lee Group Berhad (“MBL” or “the Company”) observes the Malaysian Code on Corporate Governance 2012 (“MCCG 2012” / “the Code”) and ensures that the highest standards of corporate governance are practiced throughout the Company and its subsidiaries (“the Group” or “MBL Group”) as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of the Group. The Board establish Nomination Committee (“NC”) to assist in carrying out its duties and responsibilities.

The NC shall operate under clearly defined Terms of Reference. The NC is authorised by the Board to deal with and to deliberate on matters delegated to them within their Terms of Reference.

(B) COMPOSITION OF THE NC

(a) Nomination and Appointment

The NC’s members shall be appointed by the Board and shall comprise exclusively of Non-Executive Directors and majority of whom must be independent.

(b) Size and Composition

The NC shall consist of not less than two (2) members. All members of NC shall hold office only for so long as they serve as Directors of the Company.

(c) Chairman

The Chairman of the NC must be a Senior Independent Director and shall be appointed by the Board. In the absence of Chairman of the NC, the remaining members present shall elect one of their members to chair the meeting.

(d) Secretary

The Company Secretary shall be the Secretary of NC.



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(C) DUTIES AND RESPONSIBILITIES

- (a) Review the composition and size of the Board and determine the criteria for membership on the Board, which may include, among other criteria, issues of character, judgment, independence, gender diversity, age, expertise, corporate experience, length of service, other commitments and the like.
- (b) Conduct periodic evaluations of the Board as a whole.
- (c) Identify, consider and select, or recommend for the selection of the Board, candidates to fill new positions or vacancies on the Board and Board Committees.
- (d) Evaluate the performance of individual members of the Board eligible for re-election and re-appoint, and select, or recommend for the selection of the Board, the director nominees for election to the Board by the shareholders at the Annual General Meeting ("AGM").
- (e) Periodically review the composition of each committee of the Board and make recommendations to the Board for the creation of additional committees or the change in mandate or dissolution of committees.
- (f) To give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company and the Group, and the required skills and expertise that are needed by the Board in future.
- (g) The evaluation of suitable candidate is solely based on the candidate's competency, character, time commitment, integrity and experience in meeting the needs of the Company and the Group, including, where appropriate, the ability of the candidate to act as Independent Non-Executive Director, as the case may be.

(D) AUTHORITY



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The NC is authorized by the Board to carry out its duties mentioned above and the other Directors and employees of the Group are required to give full assistance to the NC in discharging their duties. In addition, the NC is also authorized to seek for external professional expertise when required.

(E) MEETINGS

- (a) The NC will meet at least once per year unless otherwise determined by the NC.
- (b) The quorum of the NC's meeting shall be at least two (2) members and comprised a majority of Independent Directors.
- (c) Special meetings may be convened as required. The NC, or its Chair, shall report to the Board on the results of these meetings.
- (d) The NC may invite to its meetings other Directors, company management and such other persons as the NC deems appropriate in order to carry out its responsibilities.

(F) REVIEW OF THE TERMS OF REFERENCE

The Board will review this Terms of Reference from time to time and make any necessary amendments to ensure they remain consistent with the Board's objectives, current law and practices. The written Terms of Reference is made available for reference on the Company's website.

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[The Terms of Reference of NC was approved by the Board on 25 November 2016]