

**China Chengtong Development Group Limited**  
*(incorporated in Hong Kong with limited liability)*

<Nomination Committee>

**Terms of Reference**

***Membership***

1. The members of the Nomination Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom should be independent non-executive Directors.
2. The chairman of the Nomination Committee should be the chairman of the Board or an independent non-executive Director and shall be appointed by the Board.

***Frequency and procedure of meetings***

3. Meeting(s) of the Nomination Committee shall be held at least once a year. The members of the Nomination Committee may adopt from time to time the procedure governing the convening of committee meeting(s), the means and procedure for the passing of resolutions of the committee meeting(s).
4. The quorum of the Nomination Committee shall be any two members.
5. Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the members present.
6. A resolution in writing signed by all the members of the Nomination Committee shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
7. The company secretary of the Company or his or her delegate or such other person appointed by the chairman of the Nomination Committee shall be the secretary of the Nomination Committee.
8. The secretary of the Nomination Committee, in consultation with the chairman of the Nomination Committee, should be responsible for drawing up the agenda of each Nomination Committee meeting. The secretary of the Nomination Committee shall assist the chairman of the Nomination Committee and ensure that all committee members shall be provided with sufficient information in a timely manner to enhance the efficiency of a Nomination Committee meeting.
9. The secretary of the Nomination Committee shall circulate the draft and final versions of the minutes of meeting of the Nomination Committee to all committee members for their comment and records within a reasonable period of time after each meeting.

10. All decisions reached in a meeting of the Nomination Committee must be reported to the Board.

***Attendance at meetings***

11. The Nomination Committee may, from time to time, invite any Board member or senior management or any other person to attend any of its meeting so as to ensure that the Nomination Committee to duly performs its duties and obligations.

***Authority***

12. The Nomination Committee is authorized by the Board to carry out such related matters in accordance with its terms of reference. It is authorized to obtain any information it requires from any employees of the Company.
13. The Company should provide the Nomination Committee sufficient resources to perform its duties. Where necessary, the Nomination Committee is authorized by the Board to seek independent professional advice, at the Company's expense, to perform its responsibilities and if necessary, may invite such professional(s) to attend the meeting of the Nomination Committee.

***Duties***

14. The duties of the Nomination Committee shall be:
  - a. to 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. to identify individuals suitably qualified to become Board members and to select or make recommendations to the Board on the selection of individuals nominated for directorships;
  - c. 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, vice chairman of the Board and the managing director of the Company;
  - d. to assess the independence of independent non-executive Directors,
  - e. to review and implement the board diversity policy of the Company and make disclosure of the policy or a summary of the policy in the corporate governance report of the Company;

- f. to review and implement the policy for nomination of Directors setting out the process and criteria to select and recommend to the Board individuals for directorship during the year and make disclosure of such policy or a summary of such policy in the corporate governance report of the Company; and
- g. to monitor the annual checks and assessment on the members of the Board, including the suitability and the willingness and capacity to devote adequate time commitment in discharge of directors' duties by non-executive Directors.