

TIANGONG INTERNATIONAL COMPANY LIMITED
(“Company”)
TERMS OF REFERENCE OF
NOMINATION COMMITTEE
(“Committee”)

Membership

1. The Committee shall be appointed by the Company’s board of Directors (“Board”) which shall consist of not less than 3 members, the majority of whom should be independent non-executive Directors .
2. The Board shall designate one of the members, who shall be the chairman of the Board or an independent non-executive Director, as the Committee’s Chairman.
3. The Company Secretary or his nominee shall act as the Committee’s Secretary.

Frequency and proceedings of meetings

4. The Committee shall meet at least annually. Additional meetings shall be held as the work of the Committee demands.
5. In addition, the Committee’s Chairman may convene additional meetings at his discretion.
6. The quorum of a meeting shall be two Committee members.
7. Proceedings of the Committee’s meetings shall be governed by the Company’s Articles of Association.

Duties, powers and functions

8. The Committee shall –
 - (a) formulate nomination policy for the Board’s consideration and implement the Board’s approved nomination policy; and
 - (b) without prejudice to the generality of the foregoing:
 - (i) review the structure, size and composition (including the skills, knowledge, experience and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to implement the Company’s corporate strategy;
 - (ii) consider the selection criteria of Directors, and develop procedures for the sourcing and selection of candidates for directorship to stand for election by the Company’s shareholders (“Shareholders”);
 - (iii) identify and nominate candidates to the Board for it to recommend to Shareholders for election as Directors. Sufficient biographical details of nominated candidates shall be provided to the Board and Shareholders to enable them to make an informed decision;

- (iv) consider the skills mix needed in respect of Directors, and make recommendations to the Board;
 - (v) identify and nominate candidates to fill casual vacancies of Directors for the Board's approval;
 - (vi) assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report;
 - (vii) regularly review the time required from a Director to perform his responsibilities;
 - (viii) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman, and the Chief Executive, as well as the senior management;
 - (ix) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
 - (x) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation.
- (c) make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Hong Kong Stock Exchange and Clearing Limited's website and the Company's website.
9. The Committee shall be provided with sufficient resources at the Company's expense to enable it to perform its duties, including the resources for seeking independent professional advice.

Reporting Procedures

10. The Company Secretary shall record minutes of all duly constituted meetings of the Committee. All minutes shall record in sufficient details the matters considered, discussions reached or recommendations made and any concerns raised by any members including dissenting views.
11. The Committee shall report to the Board on a regular basis. At the next Board meeting following a Committee's meeting, the Committee's Chairman shall report the decisions or recommendations of the Committee to the Board, unless there are legal or regulatory restrictions on their ability to do so.

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