TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF THE BOARD OF JIAXING GAS GROUP CO., LTD.

Chapter 1 General Provisions

Article 1 In order to regulate the selection and appointment of directors and senior management of JiaXing Gas Group Co., Ltd. (the "**Company**"), and pursuant to the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and the Articles of Association of JiaXing Gas Group Co., Ltd. (the "**Articles of Association**") and other relevant regulations, the Company has set up the nomination committee (the "**Nomination Committee**") of the board (the "**Board**") of directors (the "**Directors**") of the Company and formulated these terms of reference.

Article 2 The Nomination Committee is a specific working body set up by the Board in accordance with the Articles of Association. Its main responsibilities are to determine procedures and standards for selection and appointment of Directors and senior management of the Company, conduct preliminary examination and verification on the qualifications and conditions of candidates, and advise the Board.

Article 3 The Nomination Committee shall be responsible to the Board and report its work to the Board.

Chapter 2 Composition

Article 4 The Nomination Committee shall comprise no less than three Directors, and there must be at least one director of a different gender. The majority of the members of the Nomination Committee shall be independent non-executive Directors.

Article 5 Members of the Nomination Committee shall be nominated by the chairman of the Board and elected by the Board.

Article 6 The Nomination Committee shall have a chairman who shall be chairman of the Board or an independent non-executive Director. The chairman of the Nomination Committee shall be responsible for leading the work of the Nomination Committee. Where the chairman cannot perform his/her duties, another member who is an independent non-executive Director shall be appointed to perform duties on his/her behalf. If no such member is appointed by the chairman, an independent non-executive Director shall be elected by more than half of the members of the Nomination Committee to act as chairman. The chairman of the Nomination Committee shall be elected by more than half of all the members and be reported to the Board for approval.

The chairman of the Nomination Committee shall exercise the following duties:

(1) To take charge of the duties of the Nomination Committee;

(2) To convene and preside over the regular and extraordinary meetings of the Nomination Committee;

(3) To supervise and examine the implementation of resolutions adopted by the Nomination Committee;

(4) To execute important documents of the Nomination Committee;

(5) To report to the Board on a regular basis;

(6) To perform other duties and powers delegated by the Board.

Article 7 The term of office of the Nomination Committee shall be the same as that of the Board. A member may serve consecutive terms if re-elected upon expiry of his/her term. If any member no longer holds the position as Director, he/she shall automatically lose his/her position as committee member, and the vacancy shall be filled by the Board in accordance with the provisions of Articles 4 to 6 above. A member of the Nomination Committee may tender resignation before the expiry of his/her term of office. In this case, the member shall submit to the Board his/her resignation application. The resigning member shall continue to perform relevant duties until the member elected in a by-election by the Board takes office.

Article 8 The Nomination Committee could have a secretary to assist with the work of the Nomination Committee. The human resource department of the Company and its department head or other departments or personnel of the Company with the appropriate qualification and experience designated by the Nomination Committee from time to time shall undertake the relevant work of the secretary of the Nomination Committee.

The secretary of the Nomination Committee shall be responsible for collecting and providing information in relation to domestic and foreign human resources management, providing the Nomination Committee with advice and shall also be responsible for the preparation of relevant meeting documents.

Chapter 3 Duties and Authorities

Article 9 The main duties and authorities of the Nomination Committee include:

(1) To review the structure, size and composition (including the expertise, knowledge and experience) of the Board at least once a year, assist the Board in maintaining a board skills matrix, and make suggestions on any proposed adjustments to the Board to be in line with the strategies of the Company;

(2) To identify individuals suitably qualified to become Directors or senior management and select or advise the Board on the selection of, individuals nominated for directorships or senior management positions;

(3) To assess the independence of independent non-executive Directors;

(4) To advise the Board on relevant matters relating to the appointment or re-appointment of Directors and succession plans for Directors, the chairman and the chief executive officer in particular;

(5) To establish a talent pool of qualified candidates for senior management, to formulate procedures and standards for selection and appointment of senior management personnel, and to conduct a preliminary review on the qualifications and conditions of relevant candidates, and make suggestions to the Board;

(6) To develop a policy concerning diversity of members of the Board;

(7) To support the Company's regular evaluation of the Board's performance; and

(8) Other matters authorised by the Board.

Chapter 4 Working Procedures

Article 10 The procedures for the Nomination Committee to conduct a preliminary review on the qualifications of candidates to be appointed as Directors or senior management personnel:

(1) To evaluate candidates proposed by the authorised persons set out in the Articles of Association;

(2) To seek for comments from the candidates;

(3) To convene committee meetings, and to review the qualifications and conditions of the candidates in accordance with the conditions of engagement of the Directors and senior management as set out in laws, regulations, rules, regulatory documents and in the Articles of Association;

(4) To advise the Board in respect of candidates to be appointed as Directors or senior management personnel;

(5) To conduct other subsequent work in accordance with the decisions of the Board.

Chapter 5 Rules of Procedures for Meetings

Article 11 Regular meetings of the Nomination Committee shall be held at least once a year and in principle be held during the regular meetings convened by the Board. A notice of meeting shall be given to all members at least seven days prior to the meeting, but such notice period can be waived by unanimous consent of all members.

Article 12 The chairman of the Nomination Committee or more than half of the members of the Nomination Committee may propose to convene an extraordinary meeting. A notice of extraordinary meeting shall be given to all members at least five days prior to the meeting, but such notice period can be waived by unanimous consent of all members.

Article 13 The members of the Nomination Committee shall attend the meetings in a serious and responsible manner, and clearly express their views on the proposals considered at the meeting. Members shall attend the meeting in person. In case a member is unable to attend the meeting of the Nomination Committee in person, he/she shall appoint another member in writing as a proxy to vote on his/her behalf and the member giving the proxy shall bear legal responsibility independently.

The power of attorney shall state the name of such proxy, the relevant matters, scope of authorisation and validity period, and shall be signed by the appointer or a chop shall be affixed. The member attending a meeting on behalf of other member shall produce such power of attorney and exercise the rights within the scope of authorisation.

Article 14 If a member of the Nomination Committee fails to attend meetings consecutively for two times where such member also fails to appoint other members to attend on his/her behalf, such member shall be deemed as failure to perform his/her duties. The Nomination Committee may propose to the Board to remove such member pursuant to these terms of reference.

Article 15 The meetings of the Nomination Committee can only be held when at least half of its members are present. The meetings shall be held by way of physical meetings in principle, however may be held by way of telecommunication or by way of written resolution provided that the members are able to freely express their views and the procedures are in compliance to relevant regulatory requirements.

By way of telecommunication means more than half of the members attend the meeting via telephone, video or other means of communications; by way of written resolution means the members considering and approving the resolution sent to each member separately or circulated to each member.

Article 16 All meetings shall be chaired by the chairman of the Nomination Committee. The chairman of the Nomination Committee may appoint another member who is an independent non-executive Director to chair the meeting if he/she is not able attend this meeting.

Article 17 The Nomination Committee shall vote by a show of hands or by a poll, and each member is entitled to one vote. Approval of any resolution at a committee meeting shall require one-half or more of the votes.

Article 18 Directors and senior management of the Company who are not members of the Nomination Committee may be invited to attend such meetings if necessary.

Article 19 Minutes of Nomination Committee meetings shall be kept by the office of the Board or other departments designated by the Board to record in detail the matters considered and decisions made by the Nomination Committee over the meeting. Attending members shall have rights to request to add explanatory notes to their speeches in the minutes, including any concerns raised or dissenting views expressed by members. Draft version of minutes of committee meetings shall be sent by the office of the Board or other departments designated by the Board to all members of the Nomination Committee for their comment within a reasonable time after the meeting. Final versions of minutes will be sent to all Directors. Minutes shall be signed by members of the Nomination Committee attending the meeting. Minutes of the meeting shall be kept by the office of the Board or other departments designated by the Board as an archive of the Company.

Article 20 Resolutions and voting results passed at the meeting of the Nomination Committee shall be reported in writing to the Board.

Article 21 Members of the Nomination Committee and other persons present at a meeting shall be obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorisation.

Article 22 The office of the Board or other department designated by the Board shall be responsible for submitting proposals, organising meetings, overseeing the implementation and feedback of the resolutions of the Nomination Committee, liaising and coordinating with the Nomination Committee and the secretary. The Nomination Committee shall be provided with sufficient resources to perform its duties and the relevant departments of the Company shall cooperate accordingly. The Nomination Committee may consult external experts and intermediaries for independent professional advices on its decisions if necessary, and the Company shall bear reasonable costs incurred.

Article 23 The Nomination Committee shall make available these terms of reference on request and by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

Chapter 6 Supplementary Provisions

Article 24 In these terms of reference, the scope "above" a number shall include the number itself while the scope "more than" a number shall exclude the number itself.

Article 25 These terms of reference and any amendments thereto shall become effective and be implemented upon approval by the Board.

Article 26 Any matters not covered by these terms of reference or in any event that these terms of reference contravene any laws, regulations, rules, regulatory documents, the Listing Rules or the Articles of Association, the laws, regulations, rules, regulatory documents, the Listing Rules and the Articles of Association shall prevail.

Article 27 The right of interpretation and amendment of these terms of reference rests with the Board.

These terms of reference are written in Chinese. If there is any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.