



YUXING INFOTECH INVESTMENT HOLDINGS LIMITED

裕興科技投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8005)

NOMINATION COMMITTEE – TERMS OF REFERENCE

1. Membership

- 1.1 The Nomination Committee shall be appointed by the board of directors of the Company (the “Board”).
- 1.2 The majority of the members of the Nomination Committee shall be independent non-executive Directors (“INEDs”).
- 1.3 The Chairman of the Nomination Committee shall be appointed by the Board and must be the chairman of the Board or an INED.

2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Nomination Committee.
- 2.2 Notwithstanding any other provisions in this terms of reference, the Nomination Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Nomination Committee.

3. Meetings

- 3.1 Meetings shall be held as and when necessary.
- 3.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held provided that if a meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the members. A member who attends such a meeting shall be deemed to agree to the shorter notice. Notice of any adjourned meetings is not required if the adjournment is less than 14 days.
- 3.3 Two members present in person shall be a quorum for the Nomination Committee meetings unless the Board has otherwise determined.

- 3.4 All meetings of the Nomination Committee may be held in person, by telephone or by video conference provided that all persons participating in the meeting are capable of hearing each other.
- 3.5 Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the members present.
- 3.6 A resolution in writing signed by all the members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more members.
- 3.7 Full minutes of Nomination Committee meetings shall be kept by the secretary of the Nomination Committee. Draft and final versions of minutes of the meetings shall be sent to all Nomination Committee members for their comment and records within a reasonable period of time after the meeting and made available upon request to other members of the Board.

4. Attendance and Voting at Meetings

- 4.1 At the invitation of the Nomination Committee, the Chairman of the Board and/or the Chief Executive (if not a member of the Nomination Committee), external advisers and other persons may attend all or part of any meetings.
- 4.2 Only members of the Nomination Committee are entitled to vote at the meetings.

5. Annual General Meeting

- 5.1 The Chairman of the Nomination Committee (or in his absence, another Member of the Nomination Committee or failing this his duly appointed delegate) shall attend the Company's annual general meeting and be prepared to respond to shareholders' questions on the Nomination Committee's activities and its responsibilities.

6. Functions and Authority

- 6.1 The Nomination Committee is appointed by the Board to, having regard to the independence and quality of nominees, make recommendations to the Board so as to ensure that all nominations are fair and transparent.
- 6.2 The Nomination Committee is authorized by the Board to make full use of internal resources and intermediary agencies for identifying qualified candidates for directorship at the Company's expense.

- 6.3 The Nomination Committee is authorized by the Board to conduct interviews with prospective candidates for nomination.
- 6.4 The Nomination Committee is authorized by the Board where necessary to seek independent professional advice, at the Company's expense, to perform its responsibilities^{Note 1}.
- 6.5 The Nomination Committee shall be provided with sufficient resources to its duties.

7. Responsibilities

The Nomination Committee shall have the following responsibilities.

- 7.1 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;
- 7.2 To identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. The criteria to be adopted by the Board in considering each individuals shall be their ability to contribute to the effective carrying out by the Board of its responsibilities;
- 7.3 To assess the independence of INEDs;
- 7.4 To 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; and
- 7.5 To report back to the Board on decisions or recommendations made, unless there are legal or regulatory restrictions to do so.

Note:

- 1. Arrangement to seek independent professional advice could be made through Company Secretary.

Adopted on 19th day of March, 2012