

**SAU SAN TONG HOLDINGS LIMITED**  
**(the “Company”)**  
**Terms of Reference of the Nomination Committee**

**1. Constitution**

- 1.1. The board of directors (“**Directors**”) (the “**Board**”) of the Company resolved to establish a nomination committee (the “**Committee**”).

**2. Membership and quorum**

- 2.1. The Committee shall be appointed by the Board and consist of a minimum of three members. The majority of committee members shall be independent non-executive Directors.
- 2.2. A quorum shall be two Committee members. If only two Committee members are in attendance, then both Committee members shall be independent non-executive Directors. If more than two Committee members are in attendance, then a majority of the Committee members shall be independent non-executive Directors.
- 2.3. The Board shall have the right to appoint and remove members of the Committee. The Board shall also have the right to appoint additional members to the Committee.

**3. Chairman**

- 3.1. The Board shall appoint a chairman (the “**Chairman**”) for the Committee who shall be an independent non-executive Director or the chairman of the Board.
- 3.2. In the absence of the Chairman at any meeting of the Committee, the remaining members of the Committee present at any meeting convened in accordance with these terms of reference shall elect among the remaining members of the Committee to act as the Chairman.

**4. Secretary**

- 4.1. The Company secretary shall act as the secretary of the Committee.
- 4.2. In the absence of the secretary of the Committee, the members of the Committee present at the meeting shall elect another person to act as the secretary.

**5. Notices of meetings**

- 5.1. Unless otherwise agreed by all members of the Committee, a meeting of the Committee shall be called by at least seven days’ notice.
- 5.2. An agenda of items to be discussed, together with supporting papers, shall be sent to the Committee members and to other attendees within a reasonable period of time prior to the date of the meeting.
- 5.3. Any Committee member shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of the Committee meeting.

**6. Meetings**

- 6.1. The Committee shall meet at least annually and as and when necessary, the chairman of the Committee may convene additional meetings at his discretion.

- 6.2. Meetings could be held in person, by telephone or by video conference. Committee members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in they are capable of hearing each other.

## **7. Minutes of Meetings**

- 7.1. Minutes of the Committee shall be kept by the Secretary. Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records within a reasonable time after the meeting.

## **8. Duties**

- 8.1. Review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and at least once a year, and make recommendations to the Board regarding any proposed changes.
- 8.2. Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.
- 8.3. Assess the independence of independent non-executive Directors.
- 8.4. 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 and the chief executive officer of the Company.
- 8.5. Address and deal with such other matters as may be delegated by the Board to the Committee.

## **9. Annual General Meeting**

- 9.1. The Chairman of the Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Committee's activities. In his absence, one other member of the committee of failing, this his duly appointed delegate, should attend.

## **10. Authority**

- 10.1. Management shall be obliged to supply to the Committee with adequate information in a timely manner to enable it to make informed decisions. The information supplied must be complete and reliable.
- 10.2. The Committee is provided by the Board with sufficient resources to perform its duties including authorization to obtain legal or other independent professional advices from outsiders at the Company's expenses.
- 10.3. The Committee is authorized by the Board to deal with matters within the terms of reference and has the authority to obtain relevant information from employees and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

## **11. Others**

- 11.1. In the event of discrepancies between the Chinese and the English versions, the English version shall prevail.

Hong Kong, 29 March 2012