

PHOENIX HEALTHCARE GROUP CO. LTD
(the “**Company**”)

TERMS OF REFERENCE
OF
NOMINATION COMMITTEE
(the “**Committee**”)

1. Membership

- 1.1 Members of the committee shall be appointed and removed by the board of directors (the “**Board**”). The Committee shall be made up of at least three members (“**Members**”).
- 1.2 The majority of Members of the Committee shall be independent non-executive directors (“**INEDs**”).
- 1.3 The Chairman of the Committee shall be the chairman of the Board or an INED. In the absence of the Committee Chairman and/or an appointed deputy, the remaining Members present shall elect one of their Members to chair the meeting.

2. Secretary

- 2.1 The company secretary or its/his/her/their nominee shall act as the secretary of the Committee.
- 2.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

3. Quorum, Attendance at Meetings and Resolutions

- 3.1 The quorum necessary for the transaction of business shall be two Members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.3 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.4 A resolution in writing signed by all the Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

4. Frequency of Meetings

- 4.1 The Committee shall meet at least once a year before the annual general meeting to consider any proposed changes to the composition of the Board and convene additional meetings as required.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its Members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member of the Committee and any other person required to attend at least 14 days before the date of the meeting. Supporting papers shall be sent to Committee Members and to other attendees as appropriate at least 3 clear days in advance of the meeting.

6. Minutes of Meetings

- 6.1 The Committee Chairman shall arrange for keeping of records of resolutions passed at Committee meetings, and circulate the same to all Members of the Committee within a reasonable time after each meeting and, once agreed, to all Members of the Board.

7. Responsibility, Powers and Discretion

The Committee shall have the following responsibilities, powers and discretion:

- 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;
- 7.3 to assess the independence of independent non-executive directors;
- 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 executives; and
- 7.5 the Committee Chairman or in his/her absence, another Member (who must be an INED) of the Committee shall attend the Company's general meeting(s) and be prepared to respond to shareholders' questions on the Committee's activities and responsibilities.

8. Reporting Responsibilities

- 8.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2 The Committee shall make recommendations to the Board it deems appropriate on any area where action or improvement is needed.

9. Authority

- 9.1 The Committee is authorised by the Board to seek any information it requires from senior management of the Company in order to perform its duties.
- 9.2 Where necessary, the Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference to perform its responsibilities.
- 9.3 The Committee shall be provided with sufficient resources to discharge its duties.

10. Amendments

- 10.1 Subject to Board approval, this Terms of Reference shall be updated with reference to the latest applicable amendments to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong adopted from time to time.