

BEIJINGWEST INDUSTRIES INTERNATIONAL LIMITED

EXECUTIVE COMMITTEE

TERMS OF REFERENCE

(As adopted on 27 January 2014)

Constitution

1. The executive committee (the “Committee”) is a committee of the board of directors (the “Board”).

Membership

2. The Committee members shall be executive directors and shall be appointed by the Board from time to time.
3. The Chairman of the Committee shall be appointed by the Board from amongst the Committee members from time to time.

Secretary of Committee

4. The company secretary shall be the secretary of the Committee.

Convening of meetings

5. The Committee members may, and on request of a Committee member the secretary shall, call any meetings.

Attendance at meetings

6. A quorum shall be 2 Committee members.
7. Other directors of the Company, apart from the Committee members, have the right to attend any Committee meetings, though they shall not be counted in the quorum.
8. The Committee member 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 simultaneously.

Voting

9. A resolution shall be passed by a simple majority of votes.

10. A resolution in writing signed by all Committee members except such as are absent from Hong Kong shall (so long as they constitute a quorum) be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution in writing may consist of several documents in same form each signed by one or more of the Committee members.

Authorities

11. The Committee is authorized by the Board to obtain outside independent professional advice and to invite the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Functions and Duties

12. The Committee is delegated full power and authority to monitor the day-to-day operation of the Company and any of the Company's subsidiaries (together, the "Subsidiaries" and each severally a "Subsidiary", and the Company and the Subsidiaries, collectively the "Group") from time to time. Nevertheless, without the prior approval of the Board at the board meeting, the Committee has no authority to exercise any power from the Company to proceed or undertake to proceed the following matters:
 - (a) create any fixed or floating charge, lien (other than a lien arising by operation of law) or other encumbrance over the whole or any part of the undertaking, property or assets of the Company or any Subsidiary unless such charge, lien or other encumbrance is created in connection with any loan, advance or credit given to the Company or its Subsidiary in the ordinary course of business;
 - (b) make any loan or advance or give any credit except to any Subsidiary or in the ordinary course of business;
 - (c) give any guarantee or indemnity to secure the liability or obligations of any person except in relation to a Subsidiary or in the ordinary course of business;
 - (d) sell, transfer, lease, assign or otherwise dispose of any material part of the undertaking, property or assets of the Company or any Subsidiary (or any interest therein) or contract to do so otherwise than in the ordinary course of business;
 - (e) issue or allot any unissued shares of the Company for the time being other than the shares issued by virtue of exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Group of shares or rights to acquire shares of the Company;

- (f) create any contract or other obligation binding on the Company or any Subsidiary:
 - (i) with any person, which will constitute a discloseable, major or very substantial transaction under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”); or
 - (ii) with any connected person of the Company, which will constitute a connected transaction which is discloseable under the Listing Rules;
 - (g) appoint or remove any firm of accountants to audit the annual financial statements of the Company or of any Subsidiary;
 - (h) appoint or remove any directors of the Company (the “Directors”);
 - (i) change the nature or geographical area of business of the Company; and
 - (j) commence defend or settle any litigation, arbitration or other proceedings otherwise than in the ordinary course of business.
13. The Committee shall be responsible for performing the corporate governance duties as follows:
- (a) to develop and review the Company’s policies and practices on corporate governance and make recommendations to the Board;
 - (b) to review and monitor the training and continuous professional development of Directors and senior management;
 - (c) to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
 - (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company’s employees and Directors;
 - (e) to review the Company’s compliance with the Corporate Governance Code in Appendix 14 of the Listing Rules and disclosure in the Corporate Governance Report; and
 - (f) to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

14. The Committee should ensure that the Company maintains sound and effective internal controls to safeguard the shareholders' investment and the Company's assets:
 - (a) The Committee should at least annually conduct a review of the effectiveness of the system of internal control of the Group and report to shareholders that they have done so in their Corporate Governance Report. The review should cover all material controls, including financial, operational and compliance controls and risk management functions.
 - (b) The Committee's annual review should, in particular, consider the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

Reporting

15. Full minutes of Committee meetings should be kept by the secretary of the Committee. Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comment and records respectively, in both cases within a reasonable time after the meeting.
16. The Committee shall report to the Board on a regular basis and at least once each year to the Board with respect to its decisions and/or recommendations. The Committee may report its decisions and/or recommendations by way of reports or minutes.