



PERSISTENCE RESOURCES GROUP LTD

集海資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2489)

Terms of Reference of the Nomination Committee (Adopted by the Board on 30 November 2023)

1. Constitution

The board of directors (“**Directors**”) of Persistence Resources Group Ltd (集海資源集團有限公司) (the “**Company**”) (the “**Board**”) has resolved the establishment of the nomination committee of the Company (the “**Committee**”) on 30 November 2023 and has adopted the following terms as the terms of reference for the Committee.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board from amongst the Directors and shall comprise not less than three members and a majority of independent non-executive Directors.
- 2.2 The term of each Committee member shall be the same as his/her term as a Director. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Committee may be re-appointed by the Board and continue to act as a member of the Committee upon the expiry of his/her term of appointment relating thereof.
- 2.3 A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.
- 2.4 The chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the Board from time to time and shall be the chairman of the Board or an independent non-executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

3. Committee Secretary

The company secretary of the Company shall act as the secretary of the Committee (the “**Committee Secretary**”). The Committee may, from time to time, appoint any other person with the appropriate qualification and experience as the Committee Secretary. The Committee Secretary or in his/her absence, his/her representative or any one member of the Committee, shall be the secretary of the meeting.

4. Frequency of Meetings

- 4.1 Meetings shall be held as and when appropriate, but at least once a year or at such frequency as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) or other regulatory requirements applicable to the Company from time to time.
- 4.2 The Committee Chairman shall convene a meeting upon request by any member of the Committee.

5. Conduct of Meetings

- 5.1 Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company’s articles of association regulating the meetings and proceedings of the Board.
- 5.2 A meeting of the Committee may be convened by any of its members through the company secretary of the Company.
- 5.3 Unless otherwise waived by all members of the Committee, 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 no later than 7 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.
- 5.4 The quorum of the Committee shall be any two members of the Committee. Meetings could be held in person, by telephone or by video conference. 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.
- 5.5 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members of the Committee present. Subject to compliance with the Listing Rules and the applicable laws and regulations, 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.
- 5.6 The Committee may invite any member of the senior management of the Company, any Director, external advisers or any other persons to attend all or part of any meetings as the Committee considers appropriate, notwithstanding that the aforementioned persons shall not have a right to vote at such meetings.

6. Annual General Meeting

The Committee Chairman, or in his/her absence, another member of the Committee, or failing which his/her duly appointed alternate shall attend the annual general meetings of the Company and be available to answer questions thereat on the Committee's activities and its responsibilities.

7. Authority

- 7.1 The Committee is authorised by the Board to act within these terms of reference and the relevant code provisions of the Corporate Governance Code as contained in the Appendix 14 to the Listing Rules. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 7.2 The Committee is authorised by the Board, at the Company's expense but subject to prior discussion with the Board on costs, to obtain outside legal or other independent professional advice if it considers necessary.
- 7.3 Management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than the information provided voluntarily by the management of the Company, the relevant member of the Committee should make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the management of the Company.
- 7.4 The Company shall provide the Committee with sufficient resources to perform its duties.

8. Duties

- 8.1 The duties of the Committee shall include, without limitation, the following:
 - 8.1.1 review the structure, size and composition (including the skills, knowledge and experience required) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - 8.1.2 formulate a policy of selection and nomination of Directors and procedures for the sourcing of suitably qualified Director for consideration of the Board and implement such plans and procedures approved;
 - 8.1.3 identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorships when a vacancy occurs on the Board by reason of disqualification, resignation, retirement, death or an increase in the size of the Board;

- 8.1.4 implement and review the Board diversity policy of the Company (the “**Board Diversity Policy**”); recommend any revisions of the Board Diversity Policy to the Board; review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and disclose the Board Diversity Policy or a summary of such policy, in particular, the measurable objectives that it has set for implementing the Board Diversity Policy and the progress on achieving these objectives and its review results in the Company’s corporate governance report annually;
- 8.1.5 make recommendations to the Board on:
- (a) the appointment or re-appointment of the Directors and succession planning for Directors, in particular the chairman and chief executive of the Company;
 - (b) any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the company subject to the provisions of the law and their service contract;
 - (c) the appointment of any Director to executive or other office, other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the full board;
 - (d) regularly review and report to the Board on the performance and suitability of the senior management to ensure they are in compliance with the employment terms and the performance goals and make recommendations to the Board on the reappointment or replacement of any senior management; and
 - (e) any area it deems appropriate within its scope of duties where action or improvement is needed;
- 8.1.6 consider factors below when it makes recommendation for appointment and reappointment, *inter alia*:
- (a) mix of Board members that promotes diversity of background and experience on the Board;
 - (b) competency;
 - (c) sex and age of potential/existing Director;
 - (d) independence of potential/existing Board member;
 - (e) business, technical, or specialised skills and experience of member/potential member;

- (f) ability, time, commitment and willingness of a new member to serve and an existing member to continue service; and
 - (g) specific value a member/potential member can add to the Board;
- 8.1.7 assess the independence of independent non-executive Directors, having regards to the requirements under the Listing Rules;
- 8.1.8 ensure that no Director or any of his/her associates is involved in approving his/her or any of his/her associates' nomination; and
- 8.1.9 at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

9. Reporting Procedures

- 9.1 The Committee shall report to the Board the findings and recommendations after each meeting of the Committee, unless there are legal or regulatory restrictions on its ability to do so.
- 9.2 Where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe that individual should be elected and the reasons why they consider him to be independent.
- 9.3 The Nomination Committee should have a policy concerning diversity of board members, and should disclose the policy or a summary of the policy in the corporate governance report.
- 9.4 Full minutes of the Committee's meetings should be recorded and kept by the Committee Secretary and shall be available for inspection at any reasonable time on prior reasonable notice by any Director.
- 9.5 Minutes of meetings of the Committee and the record of individual attendance at such meetings shall be prepared by the Company Secretary (or his/her delegate(s)). Those minutes should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Committee members or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Committee for comment and records, respectively, in both cases as soon as practicable after the conclusion of any meeting of the Committee. Minutes of meetings of the Committee should be open for inspection at any reasonable time on reasonable notice by any member of the Board.

10. General

10.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including those under the Listing Rules.

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

(Should there be any inconsistency between the English and the Chinese version of these terms of reference, the English version shall prevail.)