



NEXT MEDIA LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00282)

**TERMS OF REFERENCE
FOR
NOMINATION COMMITTEE**

Functions

The Nomination Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Next Media Limited (the “Company”):-

1. to make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed; and
2. to provide such information and materials in relation to the above that require the attention of the Board.

Membership

1. All members of the Committee shall be appointed by the Board and a majority of them, including the chairman of the Committee, must be independent non-executive directors.
2. The Committee shall consist of a minimum of three (3) members (the “Members”).

Authority

1. The Committee is authorized by the Board to seek any necessary information which is within the scope of its terms of reference from the Company and its directors.
2. The Committee is authorized by the Board to obtain outside independent professional advice at the cost of the Company and to invite the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Responsibilities

The Committee shall have the following duties:

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;
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;

[version: March 2012]

3. to assess the independence of independent non-executive directors; and
4. to 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 of the Group.

Meetings

1. Meetings shall be held as and when required or at such times as the Committee considers necessary.
2. The Company Secretary, or in his/her absence the Assistant Company Secretary or his/her delegate, shall be the secretary of the Committee and must ensure that full minutes are kept for all meetings of the Committee.

Proceedings of Meetings

1. Subject to the following requirements, the Members may meet together for the dispatch of business, adjourn or otherwise regulate their meetings and proceedings as they think fit, provided that:
 - (a) two Members shall constitute a quorum;
 - (b) a quorum shall be present throughout a meeting;
 - (c) not less than five (5) days' prior written notice must be given to all Members for convening each meeting, provided that not less than one-half (1/2) of all the Members may by notice in writing waive the above notice requirement;
 - (d) unless the notice requirement described in paragraph (c) is waived, an agenda describing in reasonable details the business to be transacted at the meeting shall be given to all the Members together with the notice of meeting.
 - (e) only Members are entitled to vote at the meetings of the Committee; and
 - (f) resolutions of the Committee shall be passed by a majority of votes. Meetings can be held in person, by telephone or by video conference.
2. Subject to the above, the provisions and requirements in relation to the proceedings of meetings of the Board contained in the Company's Articles of Association shall apply, mutatis mutandis, to meetings of the Committee.

Resolutions in Writing

A resolution in writing signed by all the Members shall be as valid and effectual as if it has been passed at a meeting of the Committee duly convened and held.

Reporting Procedures

1. Full minutes of Committee meetings/resolutions in writing of all the Members 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.

[version: March 2012]

2. 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/resolutions in writing of all the Members.

Annual General Meetings

The chairman of the Committee shall attend the Company's annual general meetings and be prepared to respond to any shareholder's questions on the Committee's activities.

Amendments

The Board may from time to time amend, repeal and/or re-enact all and any part of these terms of reference.

Publication of the Terms of Reference

A copy of the terms of reference of the Committee will be made available to any person upon request without charge and posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.