



PYI Corporation Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 498)

Terms of Reference

of the Share Repurchase Committee (the “**Committee**”)

1. Membership

- 1.1 The members of the Committee (the “**Member(s)**”) shall be appointed by the board of directors (the “**Director(s)**”) of PYI Corporation Limited (the “**Company**”) (the “**Board**”) from time to time.
- 1.2 The Committee shall consist of at least one independent non-executive Director and one executive Director.
- 1.3 The Chairman of the Committee shall be appointed by the Board.

2. Secretary

- 2.1 The Company Secretary shall serve as secretary of the Committee and he/she (or in his/her absence, his/her duly appointed representative or any one Member) shall be the secretary of the Committee’s meetings.

3. Meetings

- 3.1 Meetings may be convened by any Member or by the secretary of the Committee on the request of a Member. Notice may be given in writing or by telephone or by facsimile or electronic transmission or other similar means or in such other manner as the Committee may from time to time determine.
- 3.2 The quorum of the Committee shall be any two Members.
- 3.3 Meetings can be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.

- 3.4 If the Chairman is not present at any meeting of the Committee, the other Members of the Committee may choose another Member, including the alternate to an absent Member, who is present to act as chairman for that meeting.
- 3.5 Resolutions of the Committee at any meetings shall be passed by a simple majority of votes of the Members present.
- 3.6 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 3.7 Other than that stated herein, all the provisions of laws and of the Company's bye-laws relating to the proceedings of the Board shall apply mutatis mutandis to proceedings of the Committee.
- 3.8 Draft and final versions of minutes of meeting of the Committee shall be sent to all Members for their comment and records respectively within a reasonable time after the meeting is held. Final version of minutes of meetings shall be kept by the secretary of the Committee and open for inspection by the Members and the Board.

4. Attendance at meetings

- 4.1 The Committee may invite other Directors, senior management or other third parties to advise and/or to join meetings of the Committee.
- 4.2 Only Members are entitled to vote at the meetings.

5. Authority

- 5.1 The Committee is authorised by the Board to seek any share repurchase related information it requires from senior management of the Company in order to perform its duties.
- 5.2 The Committee is authorised by the Board to obtain independent legal or other professional advice, if necessary, to perform its duties at the expense of the Company.
- 5.3 The Committee shall be provided with sufficient resources to perform its duties.

6. Responsibilities and Powers

The Committee shall have the following responsibilities and powers:

- 6.1 to consider, formulate and implement proposals by the Company for repurchase of its shares.
- 6.2 to have regard to and act in accordance with the Code on Share Repurchases, the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Company's Bye-laws and any other applicable law of the Company's place of incorporation and/or existence in carrying out its duties specified above.

7. Reporting Procedure

- 7.1 The Committee shall report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.

Remark : "senior management" should refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under Appendix 16 to the Listing Rules.

Date: 20 March 2012