

**SYNERGY GROUP HOLDINGS INTERNATIONAL LIMITED**  
**(“Company”)**

Terms of reference of the nomination committee (“**Committee**”)  
of the board of directors (“**Board**”) of the Company

**1. ESTABLISHMENT**

The Committee is established pursuant to a resolution passed by the Board at its meeting held on 5 March 2015.

**2. MEMBERSHIP**

2.1 Members of the Committee (“**Member(s)**”) shall be appointed by the Board.

2.2 The Committee shall consist of not less than three Members. If a Member shall cease to be a Director, that Member shall also simultaneously cease to be a Member and the Board shall appoint a new Member to complement the number of Members in the Committee.

2.3 The majority of the Committee shall be independent non-executive Directors.

2.4 The chairman of the Committee (“**Chairman**”) shall be the chairman of the Board or an independent non-executive Director appointed by the Board.

2.5 The company secretary of the Company shall be the secretary of the Committee (“**Secretary**”) who should attend all meetings of the Committee.

**3. DUTIES**

3.1 To review the structure, size, composition and diversity (including the skills, knowledge and experience) (which can be achieved through consideration of factors including but not limited to gender, age, cultural and educational background or professional experience) (the “**Board Diversity Policy**”) of the Board at least annually and make recommendations to the Board regarding any proposed changes to complement the Company’s corporate strategy.

3.2 To review the Board Diversity Policy and the measurable objectives set for implementing such diversity policy and the progress made towards achieving those objectives, and to disclose the review results in the annual corporate governance report.

3.3 To identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorship. In identifying suitable candidates, the Committee should consider candidates on merit and against the objective criteria, with due regard to the benefits of diversity on the Board.

3.4 To assess the independence of independent non-executive Directors and to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board.

- 3.5 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 executive (as defined in the Rules Governing the Listing of Securities (“**GEM Listing Rules**”) of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”)).
- 3.6 Where the Board proposes a resolution to elect an individual as an independent non-executive Director at a general meeting, the Committee shall set out in the circular to shareholders an explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.
- 3.7 To conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the GEM Listing Rules or applicable law.
- 3.8 To ensure the Chairman, or in the absence of the Chairman, another Member or failing which the Member’s duly appointed delegate, is available to answer questions at the annual general meeting of the Company.
- 3.9 To ensure a formal, considered and transparent procedure for the appointment of new Directors is in place.

#### **4. MEETINGS OF THE COMMITTEE**

- 4.1 The Committee shall convene a meeting (“**Meeting(s)**”) at least once a year.
- 4.2 Unless all Members unanimously agree that no notice shall be necessary, the Secretary shall inform the Members at least seven (7) days before the date for convening the Meeting. Notice shall be given to each Member in person, orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the Secretary by such Member or in such other manner as the Members may from time to time determine.
- 4.3 An agenda and accompanying papers should be sent to all Members in a timely manner and at least three (3) days before the intended date of a Meeting (or such other period as agreed by the majority of the Members).
- 4.4 A quorum shall be a majority of the Members.
- 4.5 Members may attend the Meetings in person, or participate by telephone, video conferencing or other similar modes that allow persons present at the Meeting to hear and communicate with each other at the Meeting, and Members participating at the Meeting through the abovementioned methods are deemed to be present at the Meeting. If all Members shall agree, resolutions may also be passed in writing.
- 4.6 Resolutions of the Committee shall be passed by a majority vote of Members present at the Meeting.

- 4.7 A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a Meeting and may consist of several documents in like form, each signed by one or more of the Members. Such resolution may be signed and circulated by facsimile or other forms of electronic communications. This provision is without prejudice to any requirement under the GEM Listing Rules for a Board or Committee meeting to be held.
- 4.8 The Committee may invite executive Directors, external advisors and other persons to attend the Meeting but those persons shall have no right to vote at the Meeting.
- 4.9 The Secretary shall keep detailed records of matters considered and decisions reached at all Meetings, including any concerns raised and opinions expressed by the Members and participant of any Meeting. After the close of each Meeting, the Secretary shall circulate to all Members the draft and final versions of the minutes of the Meeting for their comment and records within a reasonable time after the Meeting. Full minutes of the Meetings shall be kept by the Secretary, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director or Member.
- 4.10 The Committee is authorised by the Board to obtain external independent professional advice, at the Company's expenses, to perform its responsibilities and to secure the attendance of outsiders with relevant experience and expertise, if it considers necessary.
- 4.11 The Committee should report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

## **5. SHAREHOLDERS' MEETING**

The Chairman should, as far as practicable, attend the annual general meeting of the Company and make himself available to respond to any shareholder's questions on the Committee's activities. In the absence of the Chairman, another Member or failing that a duly appointed delegate of such Chairman or Member should attend the annual general meeting. Unless authorised by the Board, Member(s) attending the Meeting shall have the duty to keep all matters discussed at the Meeting confidential and shall not disclose relevant information to any third party except as required by law or the GEM Listing Rules.

## **6. CONTINUING APPLICATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY**

The articles of association of the Company ("**Articles**"), regulating the meetings and proceedings of the Directors so far as the same are applicable and are not replaced by the provisions in these terms of reference, shall apply to the Meetings and proceedings of the Committee.

## **7. AUTHORITY OF THE COMMITTEE**

- 7.1 The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference. It is authorised to seek any information it requires from any employee or executive Director and such persons are directed to co-operate with any request made by the Committee.
- 7.2 The Committee is authorised by the Board, and at the reasonable expense of the Company, to discharge its duties, including but not limited to obtaining outside legal or other independent professional advice and to secure the attendance of independent professional advisers with the relevant experience and expertise, if it considers necessary.

## **8. POWER OF INTERPRETATION**

- 8.1 The Board may, subject to compliance with the Articles and the GEM Listing Rules (including the Corporate Governance Code set out in Appendix 15 to the GEM Listing Rules or if adopted by the Company, the Company's own corporate governance code), amend, supplement and revoke these terms of reference and any resolutions passed by the Committee, provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.
- 8.2 The power to interpret these terms of reference shall rest in the Board. These terms of reference shall be made available to the public by including the information on the Company's website and the Stock Exchange's website.

## **9. REVISION OF THE TERMS OF REFERENCE**

- 9.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in the GEM Listing Rules and other regulatory requirements in Hong Kong.

March 2015