

These terms of reference are prepared in English. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.

SHEN YOU HOLDINGS LIMITED

申酉控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8377)

(the “**Company**”)

Nomination Committee

Terms of Reference

1. Constitution

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company (together with its subsidiaries, the “**Group**”) has resolved to set up a nomination committee (the “**Committee**”).

2. Objective

The main objective of the Committee is to regularly review the structure of the Board and make recommendations to the Board regarding any proposed change to the structure of the Board. The Committee is accountable to the Board.

3. Membership

3.1 The Committee shall comprise a minimum of three Directors and shall be appointed or removed by the Board. If any member of the Committee (the “**Member**”) ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

3.2 The majority of the Members shall be independent non-executive Directors.

3.3 The chairman of the Committee shall be appointed by the Board and shall be the chairman of the Board or an independent non-executive Director. In the absence of the chairman of the Committee and/or appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee shall be the secretary to the Company, or in his absence, his representative shall act as the secretary of the Committee (the “**Secretary**”). The Committee may from time to time appoint any other person with the appropriate qualifications as Secretary.

5. Authority

5.1 The Board authorises the Committee to conduct any investigation within its scope of powers. The Committee shall have the powers to demand any information necessary from any employees of the Group and instruct all employees to cooperate with the Committee and satisfy any of its requests.

5.2 The Board authorises the Committee to seek external legal advice or other independent professional advice, and may invite outsiders who possess relevant experience and professional knowledge to attend meetings if necessary.

6. Duties

6.1 The duties of the Committee shall include:

- (a) to review the structure, size, composition and diversity (including but not limited to the gender, age, cultural and educational background, 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;
- (b) to review the Company's board diversity policy and the progress on achieving the objectives set for implementing the said policy;
- (c) 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;
- (d) to assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence and make disclosure of its review results in the Corporate Governance Report (the "**Corporate Governance Report**") in the Annual Report of the Company;
- (e) to make recommendations to the Board on the appointment or re-appointment of Directors and to review succession planning for the chairman of the Board, the chief executive as well as the senior management of the Company, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, together with the Board, as appropriate;
- (f) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (g) to conform any requirement, direction and regulation that may from time to time be prescribed by the Board, or contained in the article of association of the Company or imposed by applicable rules and regulations; and
- (h) to review the Board Diversity Policy, as appropriate and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually.

6.2 Where the Board proposes a resolution to elect an individual as an independent non-executive Director of the Company at the general meeting, the Committee should set out in the circular to shareholders and/or 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.

7. Meetings of the Committee

7.1 Number of meetings

There shall be at least one meeting of the Committee annually. If required, extraordinary meeting could be convened at any time when necessary or desirable.

7.2 Notice of meeting

Unless waived by all Members on notice, the secretary to the Committee shall give at least seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

7.3 Quorum

Meetings of the Committee shall be attended by two of the Members to be effective.

7.4 Conducting the meetings

Meetings could be convened by attending in person, by telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

7.5 Resolutions

Any resolution shall be passed by the majority votes of the Members who attend the meetings. Subject to compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited 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.

7.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meetings but such executive Directors, advisers or individuals are not entitled to vote at the meetings. If required, the Committee could seek independent professional advice, the fees of which should be paid by the Company.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary to the Committee. Minutes shall record matters considered and decisions reached by the Members in details, including the names of Members and any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comment and record, within a reasonable time after the meetings. The Secretary or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

8. Report

Chairman of the Committee who chair the meetings or any other Member who is authorised by the Chairman of the Committee to chair the meetings shall report to the Board of the Committee's findings, decisions and recommendations after each meeting of the Committee.

9. Interpretation

Interpretation of these terms of reference shall belong to the Board.

(Adopted by the Company pursuant to the Board's resolutions passed on 24 November 2017)