



Z-Obee Holdings Limited

(incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 948)

(Singapore Stock Code: D5N)

TERMS OF REFERENCE OF THE NOMINATING COMMITTEE

The nominating committee (the “**Nominating Committee**”) is set up to report to the board (the “**Board**”) of directors (the “**Directors**”) of Z-Obee Holdings Limited (the “**Company**”).

The primary role of the Nominating Committee is to make recommendations to the Board on all Board appointments to ensure a formal and transparent process.

The terms of reference proposed for the Nominating Committee are hereto as the below.

1. MEMBERSHIP

- 1.1 The Nominating Committee shall be appointed by the Board from amongst its members, and shall comprise at least three (3) members.
- 1.2 A majority of members shall be independent non-executive Directors.
- 1.3 The chairman (the “**Chairman**”) shall be elected by members and shall be an independent non-executive Director, who shall not be associated directly with any substantial shareholder.
- 1.4 Except for Clause 1.5, a member who wishes to retire or resign from the Nominating Committee shall notify the Board in writing, giving at least one (1) month’s notice.
- 1.5 The office of a member shall become vacant upon the member’s death/resignation/retirement/removal or disqualification as a Director of the Company.
- 1.6 Any vacancy in the Nominating Committee shall be filled within three (3) months.

2. ADMINISTRATION

2.1 Meetings

- (a) The meetings of the Nominating Committee may be conducted by means of telephone conference, video conference or any other form of audio or audio-visual instantaneous communication and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.
- (b) Meetings of the Nominating Committee will be held as the Nominating Committee deems appropriate, however, the Nominating Committee should meet at least once each year. Meetings should be organized so that attendance is maximised. A meeting may be called, at any other time, by the Chairman or any member of the Nominating Committee. A Director or management (“**Management**”) may be invited to the meetings.
- (c) The secretary (the “**Secretary**”) of the Nominating Committee shall be the company secretary (the “**Company Secretary**”) of the Company for the time being or, such other person as may be nominated by the Nominating Committee.
- (d) The Secretary shall attend all meetings and minute the proceedings thereof.
- (e) Minutes of all meetings shall be confirmed by the Chairman of the meeting and circulated to all the members of the Nominating Committee.
- (f) If the Chairman of the Nominating Committee so decides, the minutes shall be circulated to other members of the Board. Any Director may, provided that there is no conflict of interest and with the agreement of the Chairman, obtain copies of minutes of Nominating Committee meetings.
- (g) The notice of each meeting of the Nominating Committee, confirming the venue, date and time and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Nominating Committee at least three (3) working days prior to the date of the meeting.

2.2 Quorum

The quorum shall be any two (2) members, including at least one independent non-executive Director.

2.3 Voting

A resolution shall be considered passed if:

- (a) there is a majority of votes passed in favour of the resolution during a meeting of the Nominating Committee, or
- (b) there is agreement in writing by a majority of members entitled to participate in the decision.

In the event of an equality of votes, the Chairman **shall not** have a casting vote.

Any member who has an interest in any matters being reviewed or considered by the Nominating Committee shall abstain from voting on the matter.

2.4 Nominating Committee Resolutions in Writing

The Nominating Committee may pass resolutions by circulation. A resolution in writing signed by at least two (2) Nominating Committee members, including at least one independent non-executive Director, shall be as valid and effectual as if it had been passed at a meeting of the Nominating Committee duly called and constituted. These resolutions may consist of several documents in original or facsimile in the like form each signed by one or more members.

2.5 Attendance at Annual General Meeting

The Chairman (or in his absence, an alternative member) of the Nominating Committee shall attend the annual general meetings (the “**AGM**”) of the Company and be prepared to answer questions concerning Board appointments.

3. DUTIES AND RESPONSIBILITIES

The duties of the Nominating Committee shall be:

- 3.1 To make recommendations to the Board on the appointment of new executive and non-executive Directors, including making recommendations on the composition of the Board generally and the balance between executive and non-executive Directors appointed to the Board.
- 3.2 To regularly review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary.

- 3.3 To determine the process for search, nomination, selection and appointment of new Board members and be responsible for assessing nominees or candidates for appointment or election to the Board, determining whether or not such nominee has the requisite qualifications and whether or not he/she is independent.
- 3.4 To make plans for succession, in particular for the Chairman and chief executive officer (“**CEO**”).
- 3.5 To determine, on an annual basis, if a Director is independent. If the Nominating Committee determines that a Director, who has one or more of the relationships mentioned under the Code is in fact independent, the Company should disclose in full, the nature of the Director’s relationship and bear responsibility for explaining why he should be considered independent. The Nominating Committee may at its discretion determine a Director as non-independent even if he has no business or, other relationships with the Company, its related companies or its officers.
- 3.6 To recommend Directors who are retiring by rotation to be put forward for re-election.

All Directors are required to submit themselves for re-nomination and re-election at regular intervals and at least every three (3) years.

- 3.7 To decide whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple Board representations.

The Nominating Committee shall recommend to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple Boards.

- 3.8 To be responsible for assessing the effectiveness of the Board as a whole and for assessing the effective contribution and commitment of each individual Director to the effectiveness of the Board. The results of the performance evaluation will be reviewed by the Chairman and the assessment process shall be disclosed annually.

4. REMUNERATION

- 4.1 Having regard to the functions performed by members of the Nominating Committee in addition to their functions as Directors in relation to the activities of the Nominating Committee and pursuant to the specific power conferred upon the Board by the Bye-Laws of the Company, members of the Nominating Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board.
- 4.2 Such special remuneration shall be in addition to the annual fees payable to Directors.

5. GENERAL

- 5.1 The Nominating Committee in carrying out its tasks under these terms of reference may obtain such external or other independent professional advice as it considers necessary to carry out its duties.
- 5.2 The Board will ensure that the Nominating Committee has access to internal and external professional advice in order for it to perform its duties.
- 5.3 These terms of reference may from time to time be amended as required, subject to the approval of the Board.