



KANTONE HOLDINGS LIMITED

(the “Company”)

INVESTMENT COMMITTEE

The Investment Committee is established to review investment performance and to advise the Company on their investment of cash, cash equivalents, financial assets, margin deposits, cash collateral taking account of the necessary constraints on the deployment of the various sources and purposes of the funds to enhance the Company’s investment returns.

Its duties, powers and functions include providing market expertise and advice to the Board on investments of the Company, including advice on investment policies, asset allocation and where appropriate the selection of fund managers and custodians. The Investment Committee is scheduled to meet at least 2 times a year. Additional meetings will be held as the work of the Investment Committee demands.

TERMS OF REFERENCE OF THE INVESTMENT COMMITTEE

Adoption Date: 15 August 2017

1. Constitution

The Investment Committee (the “**Committee**”) is established pursuant to a resolution passed by the board of directors (the “**Board**”) of the Company at its meeting held on 15 August 2017.

2. Membership

- 2.1 Members and chairman of the Committee shall be appointed by the Board.
- 2.2 The Committee shall consist of four members from amongst the Board and executive staff of the Company which shall comprise of one chairman, one vice chairman, one member and one secretary.
- 2.3 An executive director shall act as the chairman of the Committee.
- 2.4 The company secretary of the Company shall act as Secretary of the Committee.
- 2.5 The appointment of the members of the Committee may be revoked, or additional members may be appointed to the Committee by resolutions passed by the Board.

3. Proceedings of the Committee

3.1 Notice:

- (a) Unless otherwise agreed by all the Committee members, a meeting shall be called by at least 1 days' notice, unless all members unanimously waive such notice.
- (b) A Committee member may and, on the request of a Committee member, the secretary to the Committee shall, at any time summon a Committee meeting.
- (c) Notice shall be given to each Committee member in person orally or in writing.
- (d) Any notice given orally shall be confirmed in writing by letter or by any electronic means as soon as practicable and before the meeting.
- (e) Notice of meeting shall state the time and place of the meeting and provide an agenda together with other documents where appropriate.
- (f) In respect of the regular meeting of the Committee to be held as mentioned in clause 3.4 below, and so far as practicable in all other additional meetings of the Committee, the papers of the meetings shall be sent in full to all the members of the Committee in a timely manner and at least 3 hours before the intended time of the meeting of the Committee (or such other period as all the Committee members may agree).

3.2 Quorum: The quorum of the Committee meeting shall be two members of the Committee.

3.3 Attendance: The Company's Board members, external advisers and other persons may be invited to attend all or part of the Committee meetings.

3.4 Frequency: Meetings shall be held at least twice a year.

4. Written resolutions

Written resolutions may be passed by all Committee members in writing.

5. Alternate Committee members

A Committee member may not appoint any alternate.

6. Authority and power of the Committee

6.1 The Committee may exercise the following powers:

- (a) to seek any information it requires from any employees of the Company and its subsidiaries and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend Committee meetings and to supply information and address the questions raised by the Committee.
- (b) to obtain, at the Company's expenses, outside legal or other independent professional advice on or assistance to any matters within these terms of reference as it considers to be necessary to help it fulfill its duties.
- (c) to have access to sufficient resources in order to perform its duties.
- (d) to review annually these terms of reference and their effectiveness in the performance of its duties and to make recommendation to the Board any changes it considers necessary.
- (e) to approve and grant general or specific mandate to the chairman and/or the vice-chairman of the Committee for the trading of listed securities when the Trading Limit in paragraph 6.2 is exceeded.

6.2 Any one of the chairman or vice-chairman of the Committee shall have the authority in his or her sole discretion to make any decision and place any order in the trading of any listed securities provided that the total market price of all listed securities held by the Company and its subsidiaries from time to time shall not exceed HK\$100 million (calculated with reference to the closing price of such listed securities on a day-to-day basis) (the "**Trading Limit**").

7. Duties

7.1 The duties of the Committee shall be:

- (a) To provide advice and recommendation to the Board on investment, divestment and exchange of investment to the Board.
- (b) To review, evaluate and approve any investment project worth exceeding HK\$100 million.
- (c) To review, evaluate and propose to the Board for approval any investment project worth over HK\$100 million.

- (d) An investment project can fall into either of the following two categories:
 - (i) Investment in real property directly or indirectly; and
 - (ii) Investment in listed securities and bonds and unquoted investment vehicles.
- (e) To determine whether the proposed investment project or any divestment or exchange of investment projects is in the interests of the Company and the shareholders of the Company as a whole.
- (f) To carry out other duties as may be determined from time to time by the Board.

8. Reporting procedures

- 8.1 Minutes of Committee meetings and all written resolutions of the Committee shall be kept by the secretary of the Committee.
- 8.2 The secretary of the Committee shall circulate the draft and final versions of minutes of the Committee meeting or, as the case may be, written resolutions of the Committee to all Committee members for their comment and records after the meeting or the passing of the written resolutions.
- 8.3 The secretary of the Committee shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of members of the Committee, on a named basis, at meetings held during that financial year.
- 8.4 The Committee should report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report to the Board on findings and recommendations of the Committee, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

9. Continuing application of the articles of association of the Company

- 9.1 The articles of association of the Company 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.

10. Powers of the Board

- 10.1 The Board may, subject to compliance with the articles of association of the Company, amend, supplement and revoke these terms of reference and any resolution 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 effectuated.