



**Join-Share 中盈盛达**

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**Guangdong Join-Share Financing Guarantee Investment Co., Ltd.\***

**廣東中盈盛達融資擔保投資股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1543)**

## **TERMS OF REFERENCE OF THE STRATEGY COMMITTEE UNDER THE BOARD OF DIRECTORS**

### **Chapter 1          General Provisions**

- Article 1**      In order to strengthen the decision-making function of the board of directors of Guangdong Join-Share Financing Guarantee Investment Co., Ltd.\* (the “**Company**”), improve its corporate governance and enhance the standard of its strategic and investment decision-making, the Company has established a strategy committee (the “**Strategy Committee**”) under its board and formulated this terms of reference in accordance with the Company Law of the People’s Republic of China, the articles of association of the Company (the “**Articles**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).
- Article 2**      The Strategy Committee is a specialised operating division established by the Board pursuant to the resolution of the general meeting and shall be answerable to the Board and perform relevant duties in accordance with the Articles, the Listing Rules, the working rules of the strategy and investment decision-making committee under the Board and other relevant laws and regulations.

### **Chapter 2          Composition of the Strategy Committee**

- Article 3**      The Strategy Committee shall comprise five Directors, at least one of whom is an independent Director. Strategy Committee members shall undertake fiduciary duties with diligence.
- Article 4**      Strategy Committee members shall be nominated by the chairman of the Board, more than half of the independent Directors or one-third of all Directors, and elected by the Board.
- Article 5**      The Strategy Committee shall have a convener, being responsible for overseeing the work of the Strategy Committee; the convener shall be elected among Strategy Committee members. If the chairman of the Board is elected a Strategy Committee member, he/she shall serve as the convener of the Strategy Committee.

**Article 6** All Strategy Committee members shall be directors of the Company. The term of office of a Strategy Committee member shall be the same as that of the Director. Upon expiry of his/her term of office, a committee member may serve consecutive terms if re-elected.

If a committee member ceases to be a director of the Company during his/her term, he/she shall be automatically disqualified to be a committee member. The Board shall appoint a new committee member to fill the vacancy in accordance with the Articles and this terms of reference.

**Article 7** The Strategy Committee has established a working group, being responsible for the day-to-day operations of the Strategy Committee.

- (1) The working group shall comprise at least two persons (whether full time or part time);
- (2) members of the working group shall attend the Strategy Committee meeting at the request of the Strategy Committee to allow sufficient time for the performance of their duties;
- (3) relevant expenses of the Strategy Committee and the working group shall be included in the annual budget of the Company as part of the expenses of the board of the Company upon approval by the chairman of the Board. The incurrence of additional expenses not being included in the budget shall require the approval of the chairman of the Board.

### **Chapter 3            Duties and Power of the Strategy Committee**

**Article 8** Duties of the Strategy Committee:

- (1) to conduct research and submit proposals regarding the strategic planning for the long-term development of the Company;
- (2) to conduct research and submit proposals regarding the significant investment/financing plans and asset operation projects which require the approval of the Board as stipulated by the Articles;
- (3) to conduct research and submit proposals regarding the other significant matters that affect the development of the Company;
- (4) to review implementation of the aforesaid matters;
- (5) to deal with other matters as authorised by the Board.

**Article 9** Power of the Strategy Committee:

- (1) The Strategy Committee shall have the right to request relevant departments of the Company to furnish the relevant information below:
  - (a) strategic planning, operation plans and capital investment plans and so forth;
  - (b) financial conditions.

Apart from the aforesaid information, the Strategy Committee shall have the right to collect other relevant information from the management team of the Company.

- (2) The Strategy Committee may engage external advisers to provide services as may be required by its work.

**Article 10** The Strategy Committee shall submit the following deliverables to the board:

- (1) opinion on the medium to long term development plan of the Company;
- (2) opinion on the cross-regional business plan of the Company;
- (3) opinion on the Company's plan to raise funds in the capital market and through the issue of quoted securities;
- (4) opinion on significant investment plans of the Company;
- (5) opinion on the annual operation plans of the Company;
- (6) plans for profit distribution plan and loss make-up of the Company;
- (7) opinion on the increase or reduction of registered capital of the Company;
- (8) other deliverables.

**Chapter 4 Terms of Reference of the Strategy Committee**

**Article 11** Types of the meetings of the Strategy Committee include regular meetings and extraordinary meetings. Regular meetings shall be convened at least twice each year, while extraordinary meetings shall be convened when called by the Strategy Committee members. A notice of 5 days shall be issued to all committee members and working group members before the date of the meeting. The meeting shall be chaired by the convenor. In the absence of the convenor, the meeting may be chaired by another committee member to be appointed by the convenor for such purpose.

**Article 12** The meeting of Strategy Committee shall be convened only when two-thirds or more of the Strategy Committee members are present; committee members who cannot attend the meeting in person shall appoint in writing other committee members as proxies to attend and vote on their behalf.

**Article 13** Any vote at the Strategy Committee meeting shall be taken by a show of hands or by poll; each committee member shall be entitled to one vote; resolutions of the meeting shall be passed when votes by more than half of all committee members are cast in favour of such resolutions.

Extraordinary meetings may be attended via electronic means.

**Article 14** Where the Strategy Committee considers necessary, directors, supervisors, senior management and other personnel of the Company may be invited to attend the meeting.

**Article 15** Where necessary, the Strategy Committee may engage advisers at the expense of the Company to provide professional advice for its decision-making.

**Article 16** The procedures for convening a Strategy Committee meeting, the voting methods and resolutions passed at such meeting must be in compliance with the pertinent laws, regulations, the Articles and this terms of reference.

**Article 17** Minutes of the Strategy Committee meeting shall be recorded and signed by the members attending such meeting; the minutes of meeting shall be kept at the office of the Board of the Company.

**Article 18** Resolutions passed at the Strategy Committee meeting and the poll results in relation thereto shall be reported to the Board of the Company in writing.

**Article 19** Committee members attending the meeting shall be obliged to keep all matters considered at the meeting confidential and shall not disclose relevant information in an unauthorised manner, or take advantage of information coming to his/her knowledge for insider dealing (whether for his/her own account or otherwise).

## **Chapter 5            Assessment of the Strategy Committee**

**Article 20** The Strategy Committee shall formulate annual work plans for implementation after review and approval by the Board.

**Article 21** The Strategy Committee shall submit annual summary work reports for the Board's review. The summary work report of the Strategy Committee shall include:

- (1) major contents of work plan of the Strategy Committee;
- (2) the status of completion of work plan of the Strategy Committee;

- (3) the status on convening, and passing of resolutions at, the Strategy Committee meeting;
- (4) Strategy Committee members' participation in discussion;
- (5) what specialised training for Strategy Committee members has achieved.

**Article 22** The Board shall assess and evaluate the Strategy Committee based on the implementation of its annual plan.

## **Chapter 6 Supplemental Provisions**

**Article 23** All documents of the Strategy Committee shall be kept at the office of the Board for a period of not less than 10 years.

**Article 24** Matters not covered by this term of reference shall be dealt with in accordance with relevant national laws, regulations, the Articles and other regulations.

**Article 25** This terms of reference shall come into effect on the date of approval by the Board of the Company, and the power of interpretation thereof shall be vested in the Board.

**Article 26** In case of any discrepancy between this terms of reference and national laws, regulations or the Articles promulgated or coming into effect in future, the provisions of such relevant national laws, regulations and the Articles shall prevail, and the board of the Company shall forthwith procure the amendment of this terms of reference and adopt the same after approval by the Board.

*Remark: The terms of reference are available in both Chinese and English versions. In case of inconsistencies between the two versions, the Chinese version shall prevail.*

*\* For identification purposes only*