



基石金融控股有限公司

CORNERSTONE FINANCIAL HOLDINGS LIMITED

(the “Company”)

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8112)

## TERMS OF REFERENCE FOR THE INVESTMENT COMMITTEE

*(Adopted by the Company at a Board meeting held on 19 August 2022)*

### 1. PURPOSE

- 1.1 The Company and its subsidiaries (the “**Group**”) may have surplus funds, funds not designated for specific purpose, or funds designated for specific purpose but application of which is not immediately required (collectively, the “**Company’s reserves**”) from time to time.
- 1.2 The purpose of the investment committee of the Company (the “**Investment Committee**”) is to assist the executive committee (the “**Executive Committee**”) and the board (the “**Board**”) of directors (the “**Directors**”) of the Company within the delegated authority in matters relating to the Company’s investment to, amongst others, enhance the Group’s investment returns, preserve the value of the Company’s reserves and/or achieve capital appreciation.
- 1.3 The Executive Committee will provide oversight of the Investment Committee.

### 2. MEMBERSHIP

- 2.1 The members of the Investment Committee shall be appointed by the Board from time to time and shall comprise not less than three members (the “**Members**”) from amongst the Directors and senior management of the Company, of which at least two shall be executive Directors.
- 2.2 The chairman of the Investment Committee shall be appointed by the Board from time to time.
- 2.3 The appointment of the members of the Investment Committee may be revoked, or additional members may be appointed by resolutions passed by the Board.

### **3. SECRETARY**

- 3.1 The company secretary of the Company (the “**Company Secretary**”) shall be secretary of the Investment Committee. In the absence of the Company Secretary, his/her delegate(s) or any person elected by the Members present at the meeting of the Investment Committee shall attend the meeting of the Investment Committee and take minutes.
- 3.2 Notwithstanding any other provisions in these Terms of Reference, the Investment Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Investment Committee.

### **4. MEETINGS**

Unless otherwise specified hereunder, the provisions contained in the articles of association of the Company (as amended from time to time) for regulating meetings and proceedings of directors shall apply to the meetings and proceedings of the Investment Committee.

- 4.1 The Investment Committee shall meet as and when it is necessary. Any one Member may request a meeting if he/she considers necessary.
- 4.2 Notice of any meetings has to be given at least 3 days prior to any such meeting being held, unless all Members waive such notice. If a meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the Members. A Member who attends such a meeting shall deem to agree to the shorter notice. Notice of any adjourned meetings is not required if the adjournment is less than 14 days.
- 4.3 The quorum of the Investment Committee shall be two Members.
- 4.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment provided that all persons participating in the meeting are capable of hearing each other.
- 4.5 Resolutions of the Investment Committee at any meetings shall be passed by a majority of votes of the Members present.
- 4.6 A resolution in writing signed by all the Members of the Investment Committee shall be as valid and effectual as if it had been passed at a meeting of the Investment Committee duly convened and held.
- 4.7 Full minutes of Investment Committee meetings should be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes of the meetings should be sent to all Members for their comment and records within a reasonable time after the meeting.

## **5. DELEGATION OF AUTHORITY**

Subject always to any specific directions of the Board from time to time and without prejudice or relieving the need to abide by and comply with any laws and/or regulations governing any reporting requirements or conduct of business of the Company, the Investment Committee is authorised by the Board to:

- (a) to seek any information it requires from any employees of the Group and any professional advisers in order to perform its duties and responsibilities, to require any of them to prepare and submit reports and to attend Investment Committee meetings and to supply information and address the questions raised by the Investment 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 provide recommendation to the Board on terms of investment policies and perimeters to meet with the objectives of the Company in business investments;
- (e) to review these terms of reference from time to time and make recommendations to the Board on any proposed changes as and when necessary to ensure its effectiveness; and
- (f) to exercise such powers as the Investment Committee may consider necessary and expedient for the proper performance of its duties and responsibilities under section 6 below.

## **6. DUTIES AND RESPONSIBILITIES**

The main duties and responsibilities of the Investment Committee shall include the following:

- (a) to review and evaluate investment projects for the long-term business development of the Company (including but not limited to mergers and acquisition, joint venture establishment and capital market investments) and make recommendations to the Board;
- (b) to study and make recommendations to the Board on major investment projects and financing solutions;
- (c) to study and make recommendations to the Board on other significant investment matters which may have effect on the development of the Company;

- (d) to review the Company's financial controls, investing capital, financing strategy and treasury risk management in relation to investment projects from time to time;
- (e) to discuss the Company's position in respect of investment risk, including but not limited to foreign exchange risk, interest rate risk and investment products risk;
- (f) to evaluate the Company's liquidity and funding arrangements in relation to investment projects from time to time;
- (g) to assess and determine whether any proposed investment project is in the interests of the Company and its shareholders as a whole; and
- (h) to supervise and monitor the implementation of the abovementioned matters duly approved by the Board which might cause significant impact to the Company's financial or treasury position; and
- (i) to review, study, evaluate or make recommendations on other matters as delegated by the Board.

## **7. REPORTING PROCEDURE**

The Investment Committee shall report to the Board on its decisions or its findings as appropriate on investments that needs to be brought to the attention of the Board and as the Board may determine.

## **8. PUBLICATION OF THE TERMS OF REFERENCE**

These Terms of Reference, explaining the role of the Investment Committee and the authority delegated to it by the Board, will be posted on the websites of the Company and The Stock Exchange of Hong Kong Limited.

### *Notes:*

1. If there is any inconsistency between the English and Chinese versions of these Terms of Reference, the English version shall prevail.
2. In the event that any provisions of these Terms of Reference are in contravention of the prevailing laws and regulations, the GEM Listing Rules and the Memorandum and Articles of Association of the Company, the later shall prevail.