China Jinmao Holdings Group Limited
中國金茂控股集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock code: 00817)

Terms of reference of the Audit Committee

(I) External audit and financial policies and reports

1. to be responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to deal with any questions of its resignation or dismissal;

2. to discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences, and to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit procedures in accordance with applicable standards;

3. to formulate and implement policy on engaging an external auditor to provide non-audit services, and report to the Board, identifying and making recommendations on any matters where action or improvements is needed;

4. to act as the key representative body for overseeing the Company's relations with the external auditor;

5. to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting opinions contained in them. In reviewing these reports before submission to the Board, the Committee should focus particularly on:

    1) any changes in accounting policies and practices;

    2) major judgmental areas;

    3) significant adjustments resulting from audit;

    4) the going concern assumptions and any qualifications;

    5) compliance with accounting standards;

    6) compliance with the Hong Kong Listing Rules and other legal requirements in relation to financial reporting.

In order to perform the above duties:

(a) members of the Committee should liaise with the Directors and senior management of the Company. The Committee must meet, at least twice a year, with the Company's auditors;

(b) the Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the staff responsible for the accounting and financial matters, head of internal audit or auditors of the Company;

6. to be responsible for reviewing the Company's financial and accounting policies and practices; to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response; to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

(II) Internal control

1. to be responsible for reviewing the financial control of the Company;

2. to be responsible for discussing and reviewing with the management the effectiveness of the Company's risk management, internal control system, compliance management system and non-compliance recovery system, and to ensure that the management has performed its duty in establishing an effective system; to supervise the formulation and implementation of the internal audit system, to review and supervise the implementation of the annual internal audit plan and key internal audit tasks; to oversee the development and implementation of systems for project review and post investment project evaluation; to ensure that there are adequate resources, staff qualifications and experience, training programmes and budgets for the accounting, finance, legal compliance and accountability functions;

3. to be responsible for discussing and reviewing with the management the Company's implementation of applicable laws, rules and regulations to ensure the effectiveness of the relevant internal control system and monitoring system;

4. to be responsible for reviewing the implementation of resolutions of the Company's general meetings, resolutions of the Board and authorisations of the Board;

5. on its own initiative or at the request of the Board, to conduct studies with the management on important audit conclusions and internal control investigations; and to inspect the rectification and implementation of problems identified by external audits, internal audits, State-owned Assets Supervision and Special Supervision and Inspection;

6. to be responsible for making recommendations to the Board on the appointment and removal of the person in charge of the internal audit department; to ensure co-ordination of the work of the internal and external auditors; to ensure that the internal audit is adequately resourced and has appropriate standing within the Company; and to review and monitor the effectiveness of the internal audit;

(III) Supervisory reports

1. to ensure that the Company establishes and reviews a system of direct reporting by employees so that employees may raise concerns or complaints, in confidence, about possible improprieties in financial reporting, internal control or other matters;

2. to have the right to investigate the Company's anomalies in such manner as it deems necessary and appropriate, with the right for the management to make appropriate arrangements for such matters, including conducting fair and independent investigations and taking appropriate actions, and to report to the Board and have the right to report to the state-owned controlling shareholders, as and when necessary;

3. to require Directors and senior management to rectify any situation in which the performance of their duties is detrimental to the interests of the enterprise; Directors and senior management who have violated laws, administrative regulations, the state-owned assets supervision system, the Articles of Association of the Company, resolutions of the general meeting of shareholders and resolutions of the Board shall have the right to propose that they be held internally accountable, dismissed, or legally held accountable by way of litigation in accordance with the law;

4. to exercise the powers and functions of the Board, propose resolutions and convene extraordinary general meetings when necessary in accordance with the Articles of Association of the Company;

(IV) To be responsible for such other matters as the Board may from time to time authorise.

Hong Kong, 15 August 2025