

# **China PengFei Group Limited**

## **中国鹏飞集团有限公司**

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

### **Investment Committee - Terms of reference**

The board of directors (the “**Board**”) of **China PengFei Group Limited** (中国鹏飞集团有限公司) (the “**Company**”) has established a committee of the Board known as the Investment Committee (the “**Investment Committee**”) with its constitution and particular duties set out below:-

#### **1. Membership**

1.1 The members of the Investment Committee shall be appointed by the Board from amongst the directors of the Company and the Investment Committee shall consist of not less than three members.

1.2 The chairman of the Investment Committee shall be appointed by the Board.

#### **2. Secretary of Investment Committee**

2.1 The company secretary of the Company shall be the secretary of the Investment Committee.

2.2 The Investment Committee may from time to time appoint any other person with appropriate qualification and experience to act as the secretary of the Investment Committee.

#### **3. Meetings**

3.1 At least one meeting will be held each year.

- 3.2 Unless otherwise agreed or waived, notice of each meeting confirming the venue, time and date shall be sent to each member of the Investment Committee, and to any other person required to attend in relation to all regular meetings of the Investment Committee, at least 14 days before the date of the meeting; and in relation to continued meetings held within 14 days, no prior notice is required. Notwithstanding the notification period, the attendance of the member of the Investment Committee at the meeting would deem to be treated as the waiver of the required notification requirement.
- 3.3 A quorum shall be two members. Other Board members, apart from the Investment Committee members, have the right to attend any Investment Committee meetings, though they shall not be counted in the quorum.
- 3.4 The members of the Investment Committee may attend meetings either in person, by telephone or through other electronic means of communication (which are available to all attended parties).
- 3.5 Resolutions of the Investment Committee shall be passed with a simple majority of votes.
- 3.6 Resolutions signed by all members of the Investment Committee will be treated valid as if it is passed in the meeting held by the Investment Committee.
- 3.7 Minutes of the Investment Committee meetings shall be kept by the secretary of the Investment Committee and shall be available for inspection by any member of the Investment Committee and/or any director of the Company at any reasonable time on reasonable notice. Draft and final versions of minutes of Investment Committee meetings shall be sent to all Investment Committee members for their comments and records within a reasonable time after the meeting. Once they are agreed, the secretary of the Investment Committee shall circulate the minutes and reports of the Investment Committee to all members of the Board.

#### **4. Attendance of meetings**

- 4.1 Upon invitation by the Investment Committee, the chairman of the Board and/or the general manager or the chief executive, external consultant and other Board members may attend all or any of the meetings.

4.2 Only the Investment Committee members shall have the voting powers.

## **5. Duties**

The duties of the Investment Committee shall include, but shall not be limited to the following:

- 5.1 to control, review and approve any investment or subscription of financial products and other types of investments initiated by our finance department and undertaken by our Group;
- 5.2 to study and make recommendations to the Board on the major investment and financing solutions;
- 5.3 to study and make recommendations to the Board on the major capital investment and assets management;
- 5.4 to study and make recommendation to the Board on other significant investment matters which may have effect on the development of the Company;
- 5.5 to supervise the implementation of the above-mentioned matters duly approved by the Board; and
- 5.6 other matters as delegated by the Board.

## **6. Reporting responsibilities**

- 6.1 After each meeting, the Investment Committee shall report formally to the Board on all matters within its duties and responsibilities.
- 6.2 The Investment Committee should make available these terms of reference by including them on the Stock Exchange's website and the Company's website.

## **7. Authority**

- 7.1 The Investment Committee is authorised by the Board when necessary to seek any information it requires from senior management of the Company to order to perform its duties.

7.2 The Investment Committee is authorised by the Board when necessary to seek independent professional advice, at the Company's expense, to perform its responsibilities.

*Note: All such arrangements of obtaining outside legal or other independent professional advice may be made by the company secretary.*

7.3 The Company should provide the Investment Committee sufficient resources to perform its duties.

*“Senior management” refers to the same category of persons as referred to in the Company's annual report. It is the responsibility of the directors of the Company to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries, heads of divisions, departments or other operating units within the group as, in the opinion of the directors, is appropriate.*