

THE SINCERE COMPANY, LIMITED
(the “Company”)
(Incorporated in Hong Kong with limited liability)

TERMS OF REFERENCE FOR THE EXECUTIVE COMMITTEE

1. CONSTITUTION

- 1.1 The board of directors (the “**Directors**”) of the Company (the “**Board**”) has established a committee of the Board known as the executive committee (the “**Executive Committee**”) on 11 June 2021.
- 1.2 The Executive Committee has been established to assist the Board in facilitating more efficient day-to-day operations of the Company and its subsidiaries (collectively, the “**Group**”) and is delegated by the Board with the powers to oversee the management of the business and affairs of the Company.

2. MEMBERSHIP

- 2.1 The chairman and members of the Executive Committee shall be appointed by the Board amongst the Directors of the Company.
- 2.2 The Executive Committee shall consist of not less than three members.
- 2.3 The company secretary (the “**Company Secretary**”) of the Company shall be the secretary of the Executive Committee.

3. MEETINGS

- 3.1 The Executive Committee shall normally meet once a month. Additional meetings of the Executive Committee may be called by any member.
- 3.2 The quorum for meetings of the Executive Committee shall not be less than two members.
- 3.3 Notice of meeting of the Executive Committee has to be given at least one day prior to any such meeting being held, unless all members unanimously waive such notice. Notice of meeting of the Executive Committee may be given in writing or by telephone or in such manner as the Executive Committee may from time-to-time to determine. Irrespective of the length of notice being given, attendance of a meeting by a member shall be deemed waiver of the requisite length of notice by the member.
- 3.4 Proceedings of meetings of the Executive Committee shall be governed by the provisions of the Company’s Articles of Association.

4 AUTHORITY

- 4.1 The Executive Committee is authorised by the Board to perform its duties and functions within its terms of reference and to do any acts conferred on the Executive Committee by the Board.
- 4.2 The Executive Committee is authorised by the Board to seek independent professional advice at the Company's expense, in performance of its duties and functions, where necessary.

5 DUTIES AND FUNCTIONS

- 5.1 The Executive Committee is to advise and assist the Board in formulating policies and to monitor the performance of management in carrying out and implementing the policies laid down by the Board for the Group.
- 5.2 Without prejudice to the generality of the foregoing, the Executive Committee shall undertake the following duties:
- (i) to oversee the implementation of the Group's strategic objectives set by the Board and risk management policies;
 - (ii) to oversee the realisation the Group of the strategic objectives set by the Board;
 - (iii) to oversee the business and operations of all of the business units of the Group;
 - (iv) to monitor and review the organisation, business and personnel policies of the Group;
 - (v) to review and monitor the training and continuous professional development of Directors and senior management of the Group;
 - (vi) to put in place programs for management development and succession of management personnel;
 - (vii) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
 - (viii) to consider the appointment or removal of the Company Secretary;
 - (ix) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;

- (x) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements,
- (xi) to review the Group's compliance with the code and disclosure in the applicable corporate governance reports;
- (xii) to liaise and consult with other committees of the Board on all matters in relation to the business of the Group;
- (xiii) to report to the Board in relation to significant decisions and recommendations of the Executive Committee which ought properly to be brought to the attention of the full Board;
- (xiv) to do any such things to enable the Executive Committee to discharge its powers and functions conferred on it by the Board; and
- (xv) to review and discuss any other matters that may from time-to-time be delegated by the Board or contained in the constitution of the Company.

5.3 In particular but without limitations, the Executive Committee has been delegated by the Board the following specific tasks:

- (i) to approve any transaction involving an amount exceeding HK\$5,000,000 but not exceeding HK\$10,000,000, provided that the relevant transaction is not a connected transaction, major transaction, very substantial acquisition, very substantial disposal or reverse takeover under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as they may be amended from time to time (the "**Listing Rules**");
- (ii) financing decisions involving an amount exceeding HK\$5,000,000 but not exceeding HK\$10,000,000, provided that the relevant transaction is not a connected transaction, major transaction, very substantial acquisition, very substantial disposal or reverse takeover under the Listing Rules;
- (iii) capital expenditure decisions involving an amount exceeding HK\$5,000,000 but not exceeding HK\$10,000,000, provided that the relevant transaction is not a connected transaction, major transaction, very substantial acquisition, very substantial disposal or reverse takeover under the Listing Rules;
- (iv) to consider and make recommendation to the Board on dividend payment; and
- (v) to consider and approve routine corporate matters, such as opening and closing, and any change in operation of the Company's bank account(s) (including investment accounts), obtaining banking facilities for operational needs, entering into new operating leases, etc..

6 REPORTING PROCEDURES

- 6.1 The secretary to the Executive Committee meetings shall ensure that full minutes are kept of all Executive Committee meetings and that draft and final versions of such minutes shall be circulated to all members of the Executive Committee for their comments and records, within a reasonable time after each meeting.
- 6.2 The secretary to the Executive Committee shall circulate the minutes of all Executive Committees to all members of the Board, and shall report to the Board on its work, decisions and recommendation in a timely manner.

(Approved and adopted by the Board on 11 June 2021)