

LUYUAN

绿源

Luyuan Group Holding (Cayman) Limited

綠源集團控股（開曼）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2451)

**TERMS OF REFERENCE FOR THE STRATEGIC AND
INVESTMENT COMMITTEE**

Constitution

1. The strategic and investment committee (the “**Committee**”) is established pursuant to a resolution passed by the board of directors (the “**Board**”) of Luyuan Group Holding (Cayman) Limited (the “**Company**”) on August 21, 2023.

Membership

2. Members of the Committee shall be appointed by the Board and shall comprise such number of directors of the Company as the Board may determine.
3. Unless otherwise determined by the Board, the minimum number of members of the Committee shall be three. If a member resigns, ceases to be a director or for any other reason ceases to be a member of the Committee resulting in a reduction of the number of members below the minimum, the Board shall, within three months of that event, appoint such number of new members as may be required to make up the minimum.
4. The chairman of the Committee shall be appointed by the Board. In the absence of the chairman, the remaining members present shall elect one of themselves to chair the meeting.
5. The Board or the Committee shall from time to time appoint any particular member of the Committee or any officer or employee of the Company or its subsidiaries as the secretary of the Committee. In the absence of the secretary of the Committee, the remaining members present shall elect one of themselves or appoint another person as the secretary for that meeting.

Frequency of meetings

6. The Committee shall meet at least once a year. Additional meetings may be held as and when required.

* *For identification purposes only*

Notice of meetings

7. A meeting of the Committee may be convened by any of its members or the secretary of the Committee.
8. Unless otherwise agreed by all the members of the Committee, notice of each meeting stating the time, date and place of the meeting shall be given to each member of the Committee and any other person invited to attend at least seven days prior to the date of the meeting.
9. Agenda and any meeting papers shall be forwarded to each member of the Committee and any other person invited to attend at least three days prior to the date of the meeting (or such other period as the members may agree).

Proceedings of meetings and resolutions

10. No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum of a meeting shall be two members of the Committee.
11. Only members of the Committee have the right to attend Committee meetings. Other persons including but not limited to any director, management, external advisor or consultant may be invited by the Committee to attend for all or part of any meeting as and when appropriate.
12. Meetings of the Committee may be held either in person or through electronic means of communication or in such other manner as the members may agree.
13. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present. Each member of the Committee shall have one vote. In the case of any equality of votes, the chairman of the meeting shall have an additional or casting vote.
14. Members must abstain from voting in respect of any resolution which he/she is an interested party.
15. A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents in like form each signed by one or more of the members of the Committee.
16. Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records respectively within a reasonable time after the meeting.

17. The secretary of the Committee shall cause full minutes with sufficient details to be made in books to be provided for the purpose of the proceedings of all meetings of the Committee and of the attendances thereat and of all business transacted, resolutions passed and orders made at such meetings. Minutes of meetings of the Committee shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed. Such minutes of meetings of the Committee shall be kept by a duly appointed secretary of the meeting and open for inspection at any reasonable time on reasonable notice by any director. Any such minutes of any meeting, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting of the Committee, shall be sufficient evidence without any further proof of the facts therein stated.
18. Save as otherwise provided herein expressly, proceedings of meetings of the Committee shall be governed by the provision of the articles of association of the Company for regulating the proceedings of meetings of the Board mutatis mutandis.

Authority

19. The authorities of the Committee shall include such authorities set out in the relevant code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) as contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (as amended from time to time).
20. The Committee is authorized by the Board to seek any information it requires from the management of the Company in order to perform its duties.
21. The Committee is authorized by the Board to obtain any independent professional advice, at the Company’s expense, from any person if it considers necessary to perform its duties.
22. The Committee is to be provided with sufficient resources to discharge its duties.

Duties and functions

23. The duties and functions of the Committee shall include such duties and functions set out in the relevant code provisions of the Corporate Governance Code. Without prejudice to the foregoing, the Committee shall:
 - (a) review the development strategies of the Company and make recommendations on any proposed changes to the Board to complement the Company’s development strategy;
 - (b) review the annual investment plans formulated by the Company;
 - (c) review and make decisions on the prospective major investments, including disposals and new joint ventures, within the authorities delegated by the Board;
 - (d) review the project assessment system established by the Company, mainly including three major constituents, namely, effective assessment agencies and professionals, a complete assessment process and reasonable assessment standards;

- (e) examine the investment strategies of the Company;
- (f) examine the investment management risk policies;
- (g) research the Group's capital policies and major financing plans;
- (h) authorize the strategic and investment management department of the Company to be responsible for execution of the identified strategies and specific implementation of the investment matters;
- (i) any other duties assigned by the Board; and
- (j) conform to and abide by any requirement, direction and regulation that may be prescribed by the Board or contained in the constitutional documents of the Company or imposed by the Listing Rules or applicable laws.

Reporting procedures

24. The Committee shall report directly to the Board on its findings, decisions and/or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as restriction on disclosure due to regulatory requirements). At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings, decisions and/or recommendations of the Committee to the Board. The secretary of the Committee shall also circulate the minutes of meetings, reports and/or written resolutions (if any) of the Committee to all members of the Board.

Corporate governance report

25. The work of the Committee during each financial year shall be summarized in the corporate governance report which constitutes part of the annual report.

Annual general meeting

26. The chairman of the Committee or in his/her absence, another member of the Committee or failing this, his/her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions at the annual general meeting on the Committee's work and its responsibilities.

Amendment

27. Subject to the compliance with the articles of association of the Company and the Listing Rules, any amendment to these terms of reference shall be authorized by the Board.

Publication

28. The Committee shall make available these terms of reference by publishing them on the websites of The Stock Exchange of Hong Kong Limited and the Company.

(If there is any inconsistency between the English and Chinese version of these terms of reference, the English version shall prevail.)