



CHONG KIN GROUP HOLDINGS LIMITED
創建集團(控股)有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1609)
(the “Company”)

RISK MANAGEMENT COMMITTEE
TERMS OF REFERENCE

A. CONSTITUTION

The Risk Management Committee is established pursuant to a resolution passed by the board of directors (the “**Board**”) of Chong Kin Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) at a meeting held on 3 September 2020.

The Risk Management Committee is to assist the Board in (i) deciding the Group’s risk level and risk appetite; (ii) considering the Company’s risk management strategies and gives directions where appropriate.

B. RISK MANAGEMENT COMMITTEE

1. Membership

- 1.1 Members of the Risk Management Committee of the Company (the “**Risk Management Committee**”) shall be appointed by the Board from amongst directors of the Company and shall comprise a minimum of three members (including the Chief Executive Officer of the Company and two other directors).
- 1.2 The appointment of the members of the Risk Management Committee may be revoked, or additional members may be appointed to the Risk Management Committee by separate resolutions passed by the Board.
- 1.3 A member of the Risk Management Committee departing from the Company or ceasing to be a director of the Company shall upon such cessation immediately and automatically cease to be a member of the Risk Management Committee.

2. Secretary

The company secretary of the Company or his/her delegate shall be the secretary of the Risk Management Committee (the “**Secretary**”).

3. Frequency of meetings

Meetings of the Risk Management Committee shall be held at least once a year and at any time when necessary or desirable.

4. Notice of meetings

4.1 Unless otherwise agreed by all the Risk Management Committee members, a meeting of the Risk Management Committee shall be called with at least three days’ prior notice specifying the date, time and venue/method of the meeting.

4.2 A member of the Risk Management Committee may at any time request the Secretary to summon a meeting of the Risk Management Committee. Notice shall be given to each member of the Risk Management Committee orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or address or e-mail address from time to time notified to the Secretary by such member of the Risk Management Committee or by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.

4.3 Risk Management Committee meetings shall be convened by the Secretary.

4.4 Unless waived by all members of the Risk Management Committee, an agenda of the matters to be discussed shall be sent to each member of the Risk Management Committee at least three days before the date of the meeting. Meeting documents including such meeting agenda shall be sent to the members of the Risk Management Committee and other appropriate attendees at the same time.

5. Proceedings of meetings

5.1 The quorum of a Risk Management Committee meeting shall be two members of the Risk Management Committee (one of whom shall be the Chairman). Other members of the Board may be invited to attend any Risk Management Committee meetings, but they shall not be counted in the quorum. A meeting chairman should be elected if the Chairman cannot attend the meeting.

5.2 Members of the Risk Management Committee may participate in a meeting of the Risk Management Committee by means of a conference telephone or other communications equipment through which all persons participating in the meeting can hear each other pursuant to this provision shall constitute presence in person at such meeting.

5.3 Resolutions proposed at any Risk Management Committee meeting shall be passed by the majority of the members present at the meeting if more than two of its members are present and by a unanimous vote if only two of its members are present.

6. Written resolutions

Subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time (the “**Listing Rules**”) and the articles of association of the Company, resolutions of the Risk Management Committee may be passed by all members of the Risk Management Committee in writing.

7. Authority

7.1 The Risk Management Committee shall have access to such information and advice, whether from sources within or outside the Group, as it deems necessary.

7.2 The Risk Management Committee shall have rights to seek such opinions from legal and other professional consultants as it considers necessary.

8. Responsibilities and duties

8.1 The responsibilities and duties the Risk Management Committee include the following:

- (a) to develop the Company’s risk management strategies and make recommendations to the Board;
- (b) to review and advise on risk management policies and guidelines and financial policies;
- (c) to develop risk levels, risk appetite and related resource allocation and make recommendations to the Board;
- (d) to advise on major decisions affecting the Group’s risk profile or exposure and give such directions as it considers appropriate;

- (e) to review the Group's approach to risk management and approve changes or improvements to key elements of its processes and procedures;
- (f) to review and report to the Board the identified key risks, risk register and related risk mitigating actions including crisis management;
- (g) to report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements);
- (h) to make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the website of The Stock Exchange of Hong Kong Limited and the Company's website. The terms of reference of the Risk Management Committee should be provided upon request and the role and function of the Risk Management Committee shall be explained in the corporate governance report of the Company.

8.2 The Risk Management Committee shall be provided with sufficient resources and necessary reports to perform its duties and shall have access, at the Company's expense, to obtain independent advice if necessary.

9. Minutes of meetings

9.1 The Secretary shall record all proceedings and resolutions of all meetings of the Risk Management Committee, including the names of those attended and present, prepare and keep minutes recording in sufficient details the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed.

9.2 The Secretary shall circulate the draft and final versions of minutes of meetings and all written resolutions of the Risk Management Committee to all members of the Risk Management Committee for their comments and records within reasonable time after the meeting or the passing of the written resolutions.

10. Continuing application of the Articles of Association of the Company

The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions of this Terms of Reference shall apply to regulate the meetings and proceedings of the Risk Management Committee.

11. Powers of the Board

The Board may, subject to compliance with the articles of association of the Company and the Listing Rules, amend, supplement and revoke this Terms of Reference and/or any resolution passed by the Risk Management Committee provided that no amendments to or revocation of this Terms of Reference and/or any resolution passed by the Risk Management Committee shall invalidate any prior act and resolution of the Risk Management Committee which would have been valid if these Terms of References or resolution had not been amended or revoked.

12. General

The Risk Management Committee shall have the discretion to, as it deems reasonable and in the interest of the Company, do such things and exercise such powers granted to it in accordance with any rule, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law.

Note: If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.

Hong Kong, 3 September 2020