

# PROSPEROUS FUTURE HOLDINGS LIMITED

## 未來發展控股有限公司

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

(the “**Company**”)

(Stock Code: 1259)

## TERMS OF REFERENCE OF EXECUTIVE COMMITTEE

*(Revised by the board of directors of the Company on 15 July 2022)*

### **Constitution**

1. A committee, as resolved by the board of directors (the “**Board**”) of the Company, shall be known as the Executive Committee (the “**Committee**”) with its terms of reference.
2. The Committee was established on 24 May 2019. The Committee has been delegated by the Board the powers in the oversight of the management of the business and affairs of the Company and its subsidiaries (the “**Group**”).

### **Membership**

3. The chairman and members of the Committee shall be appointed by the Board from among the directors of the Company.
4. The Committee shall consist of not less than two (2) members. Each member shall carry one vote and in case of a tied resolution, the chairman shall have an extra vote to make on deciding a resolution.
5. Any one senior management, the company secretary of the Company or his delegate shall act as the secretary to the Committee.

### **Frequency of Meetings**

6. The Committee shall normally meet not less than two times a year. Additional meetings may be held as the work of the Committee demands.
7. A quorum for any meeting shall be two (2) members.
8. Notice of meeting of the Committee may be given in writing or by telephone or in such manner as the Committee may from time to time determine.

## **Authority**

9. The 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 Committee by the Board.
10. The 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.

## **Duties and Functions**

11. The 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.
12. Without prejudice to the generality of the foregoing, the Committee shall undertake the following duties:
  - a. to consider emerging issues, that may be material to the business and affairs of the Group and the realization of its agreed strategy;
  - b. to review material strategic initiatives, including acquisitions and disposals, joint ventures and investments and recommend such to the Board;
  - c. to monitor and review the implementation of the Group's strategic and investment plans;
  - d. to monitor and review the organization, business and personnel policies of the Group;
  - e. to liaise and consult with other committees of the Board on all matters in relation to the businesses of the Group;
  - f. to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
  - g. to work to the requirements that may from time to time be delegated by the Board or contained in the constitution of the Company.

13. In particular but without limitations, the Executive Committee has been delegated by the Board the following specific tasks:
- a. to execute, or delegate to the appropriate senior personnel to execute, the documentation in relation to the issue, conversion, exchange and transfer of convertible note and any other ancillary matters;
  - b. to perform investment management function, including establishment of investment policies and guidelines, approval for acquisitions and disposals of investment securities, and performance monitoring; and
  - c. to consider and approve routine corporate matters for the Company and the Group, including but not limited to, opening and closing, and any change in operation of the Company's bank account(s) (including investment accounts), obtaining, cancelling banking facilities and executing any other ancillary matters thereof for operational needs, entering into new or renewing, or terminating operating leases, etc.

### **Reporting Procedures**

14. The secretary of the Committee shall ensure that full minutes are kept of all Committee meetings and that such minutes shall be circulated to all members of the Committee.
15. The secretary of the Committee shall circulate the minutes of all Committee meetings to all members of the Board, and shall report to the Board on its works, decisions and recommendations in a timely manner.