



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2310)

TERMS OF REFERENCE OF EXECUTIVE COMMITTEE

Constitution

1. The board of directors (the “Board”) of Forebase International Holdings Limited (the “Company”) hereby resolves to establish a committee of the Board to be known as the Executive Committee (the “Executive Committee”).

Membership

2. The executive directors are ex-officio members of the Executive Committee.
3. The Executive Committee shall consist of not less than three members. Chief executive team members could be invited as members of the Executive Committee.
4. Chairman of the Executive Committee shall be the chief executive officer of the Company.

Quorum and voting at meetings

5. The quorum of the Executive Committee shall be any two members.
6. Questions arising at any meetings shall be decided by a simple majority of votes.

Attendance at meetings

7. Meetings could be held in person or through other electronic means of communication, by which all persons participating in the meeting are capable of hearing each other.
8. At the invitation of the Executive Committee, any staff of the Company or any relevant external party may be invited to attend all or part of any meeting.
9. The company secretary of the Company or any other person with appropriate qualification and experience as appointed by the Executive Committee from time to time shall be the secretary of the Executive Committee.
10. Only members of the Executive Committee are entitled to vote at the meetings.

Frequency of the meetings

11. At least two meetings of Executive Committee will be held each year provided that any ad hoc meetings shall be convened as and when deemed necessary.

Notice of meetings

12. Meetings of the Executive Committee shall be convened by the secretary of the Executive Committee at the request of any of its members.
13. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Executive Committee, and to any other person required to attend:
 - (a) in relation to all regular meetings of the Executive Committee, at least 14 days before the date of the meeting; and
 - (b) in relation to all other meetings of the Executive Committee, within a reasonable time prior to the date of the meeting.
14. An agenda of items to be discussed, together with supporting papers shall be sent to Executive Committee members and to other attendees as appropriate within a reasonable time prior to the date of the meeting.
15. Any member of the Executive Committee shall be entitled, by notice to the secretary of the Executive Committee, to include other matters relevant to the functions of the Executive Committee in the agenda of an Executive Committee meeting.

Minutes of meetings

16. The secretary of the Executive Committee (or his/her delegate) in attendance at the meetings of the Executive Committee shall prepare minutes in sufficient detail of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Executive Committee and/or dissenting views expressed.
17. The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and record such (if any) accordingly. Any member of the Executive Committee ascertained by the secretary to have any conflict of interest shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Executive Committee in which he/she and/or his/her associates has/have a material interest.
18. Draft and final versions of minutes of Executive Committee meetings shall be sent to all Executive Committee members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the Executive Committee shall circulate the minutes and reports of the Executive Committee to all members of the Board.
19. Minutes of the Executive Committee meetings shall be kept by the secretary of the Executive Committee and shall be available for inspection by any member of the Executive Committee and/or any director of the Company at any reasonable time on reasonable notice.

Authority

20. The Executive Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees shall be directed to co-operate with any request made by the Executive Committee.
21. The Executive Committee is authorised by the Board to obtain, at the Company's expenses, outside legal or other independent professional advice and to secure the attendance of

outsiders with relevant experience and expertise at meetings of the Executive Committee if it considers this necessary.

Duties

22. The duties of the Executive Committee include:

- (a) to oversee the financial, operational and safety performance of the Company;
- (b) to develop group strategies and policies for Board approval;
- (c) to implement Board strategies and policies;
- (d) to ensure coordination between business units;
- (e) to review and propose the annual operation and capital expenditure budgets and any material changes to them;
- (f) to oversee the adequacy and effectiveness of cost control of the Group;
- (g) to receive and consider regular reports from businesses within the Company so as to monitor and drive through improvements in financial performance;
- (h) to review the adequacy and integrity of day-to-day financial information, documentation of records and the functions of internal control and risk management;
- (i) to oversee general appointments, succession planning and staff development;
- (j) to guide the Company in relations with shareholders and other key stakeholders, including staff, regulations, politicians, environmental interests and the media;
- (k) to review and propose the interim dividend and the final dividend for the Board's consideration;
- (l) to approve share issues arising from the exercise of share options; and
- (m) to approve the appointment of the Group's general principal professional advisers.

Reporting procedures

23. The Executive Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Executive Committee, the chairman of the Executive Committee shall report to the Board on findings and recommendations of the Executive Committee.

March 2013