



## Yestar Healthcare Holdings Company Limited

### 巨星醫療控股有限公司

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

**(Stock Code: 2393)**

## TERMS OF REFERENCE — INVESTMENT COMMITTEE

### Constitution and purpose

1. The board of directors (the “**Board**”) of Yestar Healthcare Holdings Company Limited (the “**Company**”) has resolved to establish an investment committee (the “**Investment Committee**”) on 25 August 2023.
2. It is noted that the Company may invest its surplus funds, funds not designated for specific purpose, or funds designated for specific purpose but application of which is not immediately required (collectively, the “**Company’s Funds**”) in the form of short term and liquid stocks through investing the Company’s Funds in diversified portfolio of investments products including listed or unlisted securities, or such other investments as the Board may decide from time to time, for the purpose of preserving the value of the Company’s Funds and/or achieve capital appreciation.
3. The purpose of the Investment Committee is to exercise delegated authority from the Board, to handle any issues or affairs related to the investment aspects of the Company. The Investment Committee will also review the investment performance from time to time and advise the Board on how the Company’s Funds are to be used to enhance the Group’s investment returns, preserve the value of the Company’s Funds and/or achieve capital appreciation.

### Membership

4. The Investment Committee shall be appointed by the Board and shall comprise of a minimum of three members from amongst the directors and senior management of the Company.
5. The chairman of the Investment Committee shall be appointed by the Board from time to time.
6. Additional members may be appointed to the Investment Committee by the Board from time to time.

## **Meetings**

7. The Investment Committee shall meet at least once a quarter to consider the financial position, investment strategy and treasury position of the Company. The Investment Committee or the Board may request additional meetings at such other times if they consider it necessary.
8. Notice of at least seven days shall be given of a regular Investment Committee meeting, unless all members unanimously waive such notice. Notwithstanding the notice period, the attendance of members at the meeting shall be deemed waiver of the required length of notice. For all other Investment Committee meetings, reasonable notice shall be given.
9. The quorum of the Investment Committee shall be any two members.
10. Meetings can be held in person, by telephone or by video conference. Members of the Investment Committee may attend a meeting either in person or by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other. With consent of all members, resolutions of the Investment Committee can be passed by written resolutions.
11. Resolutions of the Investment Committee at any meetings shall be passed by a majority of votes of the members present. In the case of an equality of votes, the chairman of the Investment Committee meeting shall be entitled to a second or casting vote.
12. A resolution in writing signed by all the members of the Investment Committee shall be as valid and effectual as if it had been passed at a meeting of the Investment Committee duly convened and held.

## **Attendance at meetings**

13. The Investment Committee may invite other directors of the Company or any other persons it deems appropriate to attend the meetings.
14. The company secretary or his/her nominee or such other person as nominated by the Investment Committee shall be the secretary of the Investment Committee.
15. Only members of the Investment Committee are entitled to vote at the meetings.

## **Reporting procedures**

16. All acts, material decisions and proceedings of the Investment Committee shall be reported to the next scheduled meeting of the Board.

17. The Investment Committee shall immediately bring to the attention of the Board any serious concerns that arise.
18. Draft and final versions of minutes of the Investment Committee meetings shall be sent to all members of the Investment Committee for their comment and records respectively within a reasonable time after the meeting.
19. Minutes of the meetings and written resolutions of the Investment Committee shall be kept by the secretary of the Investment Committee and shall be available for inspection by any members of the Investment Committee or the Board.

#### **Authority**

20. The Investment Committee is authorised by the Board to exercise the following authorities within this terms of reference, including but not limited to:
  - (a) obtain sufficient resources from the Company to perform the Investment Committee's duties;
  - (b) review the accounts of the Company from time to time;
  - (c) monitor and regulate investment decisions, strategies and projects related issues of the Company;
  - (d) monitor investment activities of the Company;
  - (e) consider and propose to the Board any types of fund raising instruments, such as private placement, rights issue or shares option grant to selected individuals as the Investment Committee may think fit;
  - (f) consider and recommend the Board to take any steps appropriate and necessary in relation to the investment activities of the Company, such as to appoint lawyers, external financial advisors and any other relevant professionals;
  - (g) consider and recommend the Board to obtain advice from or engage external experts, fund managers or investment banks of good reputation, past performance and such other qualities as the Investment Committee may think fit;
  - (h) review the potential costs and returns of investment projects of the Company from time to time;
  - (i) seek such information from the Company and its directors and employees (all employees being directed to co-operate with any such request by the Investment Committee), as it deems necessary in order to fulfil its role;

- (j) request the Board to take all necessary actions, including but not limited to upholding or terminating a corporation action, commercial transaction, merger and acquisition with sufficient grounds and if it considers such actions necessary;
- (k) if necessary, investigate any activity within this terms of reference;
- (l) review annually this terms of reference and its effectiveness in the perform of its duties and to make recommendation to the Board any changes it considers necessary; and
- (m) invite such persons to its meetings as the Investment Committee considers appropriate.

## **Duties**

21. The duties of the Investment Committee shall be, *inter alia*:

- (a) act in good faith and with due skill, care and diligence at all times;
- (b) operate in accordance with this terms of reference at all times;
- (c) assess the viability and the terms for any major investment project or financing arrangements of the Company;
- (d) evaluate the feasibility, forecast, profits and loss calculations of the investment projects of the Company;
- (e) analyse, consider, and determine whether any proposed investment project is in the best interests of the Company and its shareholders as a whole;
- (f) consider all relationships, developments and new investment opportunities between the Company and external business and/or parties;
- (g) oversee the credit ratings and liquidity risk management of the Company;
- (h) review the Company's investing capital and financing strategy from time to time;
- (i) discuss the Company's position in respect of investment risk, including but not limited to foreign exchange risk, interest rate risk and investment products risk;
- (j) review and evaluate the Company's liquidity and funding arrangements from time to time;
- (k) monitor significant transactions and/or investment plans which might cause significant impact to the Company's treasury position;

- (l) evaluate and propose to the Board for approval in compliance with applicable laws, rules and regulations, including but not limited to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), any investment projects and financing arrangements which constitutes notifiable or connected transactions on the part of the Company under the Listing Rules;
- (m) consider and recommend the Board to implement appropriate policies in relation to the areas of treasury and investment (and any revision, as appropriate) from time to time;
- (n) review, evaluate, and approve any reports in relation to the Company’s investment or treasury position from time to time;
- (o) to carry out other duties as may be determined from time to time by the Board;
- (p) ensure all records in relation to the Company’s investments are kept properly; and
- (q) report to the Company when any specific area for improvement could be identified or recommended.

#### **Power of the Board**

- 22. The Board may, subject to compliance with the bye-laws of the Company, amend, supplement and revoke the terms of reference and any resolution passed by the Investment Committee provided that no amendments to and revocation of the terms of reference and the resolution passed by the Investment Committee shall invalidate any prior act and resolution of the Investment Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

#### **Availability of the terms of reference**

- 23. The Board must approve and provide written terms of reference for the Investment Committee. The Investment Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board, on both the websites of the Company and The Stock Exchange of Hong Kong Limited.

\* *Note: The Chinese translation of this terms of reference is for reference only and the English version shall always prevail in case of any inconsistency between the English version and the Chinese translation.*