

# **Satu Holdings Limited**

## **舍圖控股有限公司**

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

(Stock Code: 8392)

(the “**Company**”)

### **TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE**

#### **CONSTITUTION**

1. The risk management committee (the “**Risk Management Committee**”) is established pursuant to the resolutions passed by the board (the “**Board**”) of directors of the Company (the “**Directors**”) at its meeting held on 22 September 2017.

#### **AUTHORITY**

2. The Risk Management Committee shall have unrestricted access to the senior management to obtain any remuneration related information it requires in order to perform its duties and responsibilities. All relevant employees will be directed to cooperate with any request made by the Risk Management Committee.
3. The Risk Management Committee is authorised to obtain independent professional advice in accordance with the procedures adopted by the Company from time to time and to secure the attendance of any external professional with relevant experience and expertise if necessary. The Risk Management Committee should be provided with sufficient resources to perform its duties.

#### **MEMBERSHIP**

4. The members of Risk Management Committee shall be appointed by the Board and shall consist of not less than three members.
5. The chairman of the Risk Management Committee shall be the appointed by the Board.
6. The appointment of the members of the Risk Management Committee may be revoked, replaced or additional members may be appointed to the Risk Management Committee by separate resolutions passed by the Board and by the Risk Management Committee. An appointment of a member of the Risk Management Committee shall be automatically revoked if such member ceases to be a member of the Board.
7. The company secretary of the Company shall be the secretary of the Risk Management Committee. The secretary of the Risk Management Committee or in his/her absence, his/her representative or any one member of the Risk Management Committee, shall be the secretary of the meetings of the Risk Management Committee.

## RESPONSIBILITIES

8. The responsibilities of the Risk Management Committee should include the following:
- (a) to formulate and oversee the implementation of the internal control measures and the effectiveness of risk management system;
  - (b) to improve the corporate governance of the Company;
  - (c) to deliberate risk management related policies and procedures;
  - (d) to review the effectiveness and adequacy of risk management activities and to report such findings to the Board;
  - (e) to conduct check on the information (including identity, location and nature of business) of the counterparty to the contract against various lists of restricted countries and parties maintained by the United States (“U.S.”), the United Nations (“U.N.”), the European Union (“E.U.”) and Australia, including but not limited to the United States Department of Treasury’s Office of Foreign Assets Control (“OFAC”)’s Specially Designated Nationals and Blocked Persons List, OFAC’s Sectoral Sanctions Identifications (SSI) List, or other restricted parties lists maintained by the U.S., the E.U., the U.N. or Australia (“**Sanctioned Persons**”);
  - (f) to evaluate international sanctions risks prior to determining whether the Company should embark on any business opportunities in any country which governments such as the U.S. or Australia, or governmental organizations, such as the U.N. or the E.U., have, through executive order, passing of legislation or other governmental means, implemented measures that impose economic sanctions against such countries or against targeted industry sectors, groups of companies or persons, and/or organizations within such countries (“**Sanctioned Country(ies)**”);
  - (g) to review and approve all relevant business transaction documentation relating to customers or potential customers from Sanctioned Countries and/ or any other government, individual or entity sanctioned by the U.S., the U.N., the E.U. or Australia;
  - (h) to continuously monitor the use of proceeds from the share offer from the listing of the Company on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), as well as any other funds raised through the Stock Exchange or otherwise, to ensure that such funds will not be used to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, any Sanctioned Country, any Sanctioned Persons or any other government, individual or entity sanctioned by the U.S., the U.N., the E.U. or Australia;

- (i) as and when the Risk Management Committee considers necessary, to engage external international sanctions legal advisers with necessary expertise and experience in international sanctions matters for recommendations and advice, and to provide training sessions relating to the international sanctions laws to the Directors, senior management and other relevant personnel to assist them in evaluating the potential sanctions risks in the Company's daily operations; and
- (j) to hold meetings to monitor the Company's exposure to sanctions risk and to review the Company's internal control procedures relating sanctions laws regularly.

## **MEETINGS**

- 9. The Risk Management Committee shall meet at least once a year.
- 10. A quorum of the meeting of Risk Management Committee shall be two Risk Management Committee members.
- 11. Resolutions of the Risk Management Committee at any meeting shall be passed by a majority of votes of members if more than two of its members are present and by a unanimous vote if only two of its members are present.

## **RISK MANAGEMENT COMMITTEE'S RESOLUTIONS**

- 12. A resolution in writing signed by all the members of the Risk Management Committee shall be as valid and effective as if it had been passed at a meeting of the Risk Management Committee and may consist of several documents in like form each signed by one or more of the members of Risk Management Committee. Such resolution may be signed and circulated by facsimile or other forms of electronic communications. This provision is without prejudice to any requirement under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "**GEM Listing Rules**") for a meeting of the Board or Risk Management Committee to be held.

## **REPORTING PROCEDURES**

- 13. (a) The Risk Management Committee shall report to the Board identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken. At the next meeting of the Board following a meeting of the Risk Management Committee, the chairman of the Risk Management Committee shall report their decisions and recommendations of the Risk Management Committee to the Board.

- (b) Full minutes of meetings of the Risk Management Committee shall be kept by a duly appointed secretary of the Risk Management Committee. Draft and final versions of minutes of meetings of the Risk Management Committee shall be sent to all members of the Risk Management Committee for their comment and records respectively, in both cases within 7 calendar days after the meeting.
- (c) Copies of the minutes of meetings of the Risk Management Committee shall be provided to the Board at its meetings.
- (d) The Risk Management Committee shall make available at least one of its members to attend the Company's annual general meeting to answer shareholders' questions about risk related issues.

#### **REVISION OF THE TERMS OF REFERENCE**

- 14. These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including but not limited to the GEM Listing Rules.

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

Hong Kong, 13 October 2017