

*If there is any discrepancy between the English text and the Chinese text in respect of these terms of reference, the Chinese text shall prevail.*

## **LIAONING PORT CO., LTD.**

### **TERMS OF REFERENCE OF FINANCIAL MANAGEMENT COMMITTEE UNDER THE BOARD OF DIRECTORS**

#### **Chapter 1 General Provisions**

**Article 1** To strengthen the financial management of Liaoning Port Co., Ltd. (the “**Company**”) and to ensure the scientificity of the Company’s decision-making process which is conducive to the long-term development of the Company, these terms of reference are formulated in accordance with the Articles of Association of Liaoning Port Co., Ltd. (the “**Articles**”), the Rules Governing the Listing of Shares on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, the Corporate Governance Standards for Listed Companies and other relevant regulations.

**Article 2** The Financial Management Committee is a special Committee established under the Board of Directors and reports to the Board of Directors. The Committee is mainly responsible for supervising and reviewing the financial operations, investment and financing decision-makings and business management of the Company and providing the basis and guarantee for the proper decision-makings of the Company.

**Article 3** The Financial Management Committee shall perform its duties and independently fulfil its role in accordance with the provisions of these Terms of Reference.

#### **Chapter 2 Constitution**

**Article 4** The Financial Management Committee shall comprise at least three directors. The members shall be elected by the Board of Directors of the Company and shall have qualifications in accounting and financial management as well as competency for making professional judgments.

**Article 5** The Financial Management Committee shall have a chairman who is responsible for presiding over the work of the Committee. The chairman is elected by the Committee and the election shall be subject to the approval of the Board of Directors.

**Article 6** The members shall hold a same term of office as the directors and shall be eligible to be re-elected upon expiry. Any member shall be automatically disqualified if his/her directorship ceases during his/her term of office. The Board of Directors shall fill in the vacancy in accordance with the provisions of these Terms of Reference.

**Article 7** The Financial Management Committee shall have a secretary, the post of which shall be held by the secretary of the Board of Directors. The responsibilities include the daily engagements and meeting arrangements of the Committee.

### **Chapter 3 Terms of Reference**

**Article 8** The Financial Management Committee shall be responsible for checking the financial and relevant matters of the Company in the process of managing, among others, the operation, investment, financing, including:

1. be responsible for reviewing the Company's financial and accounting system and other financial-related systems, and reviewing their implementations.
2. be responsible for reviewing the Company's financial planning and annual budget; reviewing the Company's interim and annual financial performance, reviewing the financial-related content of the management analysis and the chairman's report in the interim and annual reports; checking the implementation of the Company's budgets, and proposing budget revisions and budget appraisal opinions.
3. be responsible for the review of the Company's financial risk prevention plan.
4. reviewing the financing, investment and other capital operation plans of the Company.
5. reviewing the adjustments, profit distribution plan, and dividend distribution policy regarding the year-end final accounts proposed by the Company, and reviewing the specific dividend distribution plan.
6. conducting evaluation and analysis on material non-exempted, notifiable or discloseable connected transactions of the Company.
7. reviewing the Company's guarantees, mortgages, financial support, and liability for compensation, and providing review opinions.
8. reviewing material financial assistance signed with the government, joint venture projects and shareholder agreements, as well as agreements for large-scale acquisitions, capital reduction and property reconstruction projects.
9. other matters as authorized by the Board of Directors.

**Article 9** The Financial Management Committee submits to the Board of Directors, and the proposals made by the Committee must be submitted to the Board of Directors for review and approval.

### **Chapter 4 Rules and Procedures**

**Article 10** The Financial Management Committee shall set its daily working unit in the office of the Board of Directors, and in accordance with the requirements of the Committee, the secretary of the Committee is responsible for arranging the provisions of relevant information and other support necessary to fulfil the Committee's duties by relevant functional departments.

**Article 11** The Financial Management Committee shall review and consider any proposal in connection with the duties of the Committee submitted to the Board of Directors for consideration, and conduct research and discussion on issues falling within the professional fields under the terms of reference of the Committee. Such professional opinions and advice on the proposals shall be submitted to the Board of Directors for reference in its decision-making.

**Article 12** Meetings of the Financial Management Committee shall be held at least four times a year. The chairman or two members of the Committee may propose to hold an extraordinary meeting. Notices of regular and extraordinary meetings shall be given to all Committee members at least 5 days and 3 days respectively, in advance of the date of such meeting. In case of an emergency requiring an immediate meeting, notice of an extraordinary meeting may be given at any time with the consent of the chairman of the Committee. Extraordinary meetings may be held by means of telephone conference or similar equipment.

A Committee meeting shall be presided over by the chairman. In the event that the chairman is unable to attend the meeting, a Committee member may be appointed by the chairman to preside over a Committee meeting.

**Article 13** The quorum of a meeting of the Financial Management Committee shall be more than two-thirds of the members of the Committee present at the meeting. Decisions of a Committee meeting shall be passed by more than one-half of all members of the Strategic Development Committee.

**Article 14** With the consent of the chairman of the Committee, the circulation of a resolution in writing may replace the convening of the Committee. In order to hold a meeting by such means, the office of the Board of Directors of the Company shall be responsible for circulating the relevant written resolution to all members of the Committee who shall be given reasonable time for consideration. Having received the replies of affirmative opinion via mail or by other means, a resolution of the Financial Management Committee shall be passed and recorded by the office of the Board of Directors.

If any Committee member requests for supplementary information or further explanations from the Company, the relevant department of the Company involved in the matter being resolved shall be responsible for supplying the supplementary materials and report to the Committee.

**Article 15** If the Committee deems necessary, it may invite other directors, supervisors, senior management and members of relevant functional departments of the Company to attend the Committee meeting.

**Article 16** The Committee may, if necessary, appoint intermediaries to provide professional opinions thereto at the expense of the Company.

**Article 17** The procedures relating to the holding of, voting and passing of resolutions at the meetings of the Committee shall comply with the relevant laws, regulations, the Articles of Association and these Terms of Reference.

**Article 18** The secretary of the Committee is responsible for the organization of meetings and recording of minutes, and relevant functional departments of the Company are responsible for coordinating the completion of the specific tasks of the meetings.

**Article 19** The Committee shall have minutes of meetings and the minutes of the Committee shall be kept by the secretary of the Committee.

The initial draft of the minutes of a meeting of the Committee shall be sent to all members of the Committee within seven (7) days after the meeting for their comments and thereafter be finalized for the record. The minutes of the meetings shall record only the speeches and opinions made at the meeting by the members of the Committee who shall not request for opinions which have not been expressed at the meeting be supplemented and recorded.

**Article 20** The participants present at any meeting of the Committee shall have the obligation to keep confidential all matters discussed at such meeting and shall not disclose the information relating thereto without authorization.

## **Chapter 5 Supplementary Provisions**

**Article 21** These Terms of Reference shall come into effect from the date of approval by the Board of Directors.

**Article 22** The Financial Management Committee of the Board of Directors shall have the right to the interpretation of these Terms of Reference. Matters not covered shall be implemented in accordance with relevant laws, regulations, regulatory rules and the Articles of Association of the Company.