



Stella International Holdings Limited
九興控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1836)

(the "Company")

Terms of Reference for Corporate Governance Committee

Constitution

The board of directors (the "**Board**") of the Company has established a standing committee of the Board known as the Corporate Governance Committee.

Objectives

The Corporate Governance Committee has been established to introduce and propose relevant principles concerning corporate governance of the Company and to review and determine the corporate governance policy to be adopted and implemented by the Company, so as to enhance and to ensure a high standard of corporate governance practices in the Company.

Membership

The Corporate Governance Committee and its chairman shall be appointed by the Board and can be removed by the Board at its sole discretion. The Corporate Governance Committee shall comprise a minimum of three directors (the "**Members**" and a "**Member**" refers to any one of them).

The Board shall from time to time vary the composition of the Corporate Governance Committee as may be required by the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (as modified from time to time) or the rules of any other stock exchange in respect of which the shares of the Company are listed or quoted, or other codes, rules and regulations as may be prescribed by the Hong Kong Securities and Futures Commission or any other applicable regulatory authority from time to time (the "**Applicable Laws**").

** For identification purpose only*

The term of office of a Member will generally not be set beforehand. It will, *inter alia*, depend on the composition of the Board as a whole and that of other committees from time to time.

The company secretary of the Company (the "**Company Secretary**") shall be the secretary of the Corporate Governance Committee. The Company Secretary may delegate her duties, or parts thereof, under these Terms of Reference, to a deputy appointed by her in consultation with the chairman of the Corporate Governance Committee.

Authority

The Corporate Governance Committee shall report directly to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

The Corporate Governance Committee shall be provided with sufficient resources to perform its duties.

The Corporate Governance Committee is authorised to obtain advice or assistance from any person, including professional consultants, whom it regards as competent to give such advice or assistance, and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary. The Corporate Governance Committee shall have sole authority to approve related fees and retention terms, and any expenses incurred shall be borne by the Company.

The Corporate Governance Committee may delegate its authority to subcommittees or the chairman of the Corporate Governance Committee when it deems appropriate and in the best interests of the Company.

Reporting Procedures

The Corporate Governance Committee shall report to the Board orally or in writing as appropriate to perform its duties as required under the Listing Rules and under these terms of reference. In particular, at the first meeting of the Board following a meeting of the Corporate Governance Committee, the chairman of the Committee shall report the findings, decisions or recommendations made by the Corporate Governance Committee since the last Board meeting to the Board.

Corporate Governance Committee Meetings

Frequency Meetings of the Corporate Governance Committee are in principle called by the Chairman of the Corporate Governance Committee. The Corporate Governance Committee shall meet as often as required for the proper functioning of the Corporate Governance Committee and it is expected that it shall meet at least twice a year.

Notice Notice of any meetings of the Corporate Governance Committee has to be given at least 14 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meeting is not required if the adjournment is less than 14 days.

Quorum The quorum for meetings of the Corporate Governance Committee should be two members.

Attendance Only Members (and the Company Secretary and/or her duly appointed deputy, acting in their capacity as the secretary to the Corporate Governance Committee) are entitled to attend the meetings of the Corporate Governance Committee. However, the Corporate Governance Committee may invite the following persons to attend the meetings of the Corporate Governance Committee, without the authority to vote, if it considers appropriate:

- legal counsel;
- professional consultants or any other external personnel; and
- any other officer or director of the Company.

Annual General Meeting of the Company The chairman of the Corporate Governance Committee shall attend the annual general meeting. If the chairman is unable to attend the annual general meeting, another member of the Corporate Governance Committee, or failing this, his duly appointed delegate, shall attend to answer questions at the annual general meeting.

Resolutions

Resolutions of the Corporate Governance Committee shall be passed by a majority of votes, which can also be passed by way of unanimous written resolutions. Meetings can be held in person, by telephone or by video conference or by means of other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously.

Minutes

The secretary of the Corporate Governance Committee should keep full minutes of all Corporate Governance Committee meetings. Draft and final versions of minutes of meetings of the Corporate Governance Committee should be sent to all Members for their comment and records respectively, within a reasonable time after the meeting.

Minutes of all Corporate Governance Committee meetings will also be sent to other members of the Board at the same time when they are sent to Members.

Duties

The duties of the Corporate Governance Committee shall include the following aspects:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;
- to review the Company's compliance with the Corporate Governance Code set out in Appendix 14 to the Listing Rules and disclosure in the corporate governance report set out in the Company's annual and interim reports;

- to monitor each of the Audit Committee, Remuneration Committee and Nomination Committee has duly discharged their respective duties and obligations in accordance with their respective terms of reference, the Listing Rules and any Applicable Laws;
- to monitor proper segregation of duties between the Chairman and the Chief Executive of the Company;
- to develop, review and formalise the scope of matters for Board decision and matters to be delegated by the Board to the management of the Company;
- to review and monitor the Company's process of disclosure, including assessing and verifying the accuracy and materiality of price-sensitive information and determine the form and content of any required disclosure;
- to review and monitor the Company's communication policy and practices with its shareholders and investor communities to ensure a high degree of transparency and that the shareholders and investor communities are informed of relevant information on a regular basis thus allowing them to evaluate the Company's performance and prospects;
- to review from time to time as appropriate these Terms of Reference and the effectiveness of the Corporate Governance Committee and recommend to the Board any necessary changes;
- to do any such things to enable the Corporate Governance Committee to perform its duties conferred on it by the Board from time to time; and
- to address and deal with such other matters as may be delegated by the Board to the Corporate Governance Committee.

Publication of these Terms of Reference

These Terms of Reference will be posted on the website of the Company and that of the Stock Exchange. A copy of these Terms of Reference will be made available on request.

Approved and adopted by the Board on 15 June 2007

First Revision by the Board on 20 March 2009

Second Revision by the Board on 21 March 2012