

These terms of reference are prepared in English. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.

JC GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8326)

(the “**Company**”)

Compliance Committee

Terms of Reference

1. Organization

The board (the “**Board**”) of the directors of the Company (the “**Directors**”) has resolved to set up a compliance committee (the “**Committee**”).

2. Objective

The main objective of the Committee is to regularly review the compliance system of the Company and make recommendations to the Board. The Committee is accountable to the Board.

3. Composition

3.1 The Committee shall comprise Directors, senior management or other staffs and shall be appointed or removed by the Board. If any member of the Committee (the “**Member**”) ceases to be employed by the Company and its subsidiaries (collectively, the “**Group**”), he/ she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

3.2 The chairman of the Committee shall be appointed by the Board.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee shall be the secretary to the Company.

5. Powers

The Committee is authorised by the Board to:

- 5.1 investigate any activity within its terms of reference;
- 5.2 seek information from any employee, member of the management, Director, agent, consultant or advisor, external auditor, internal auditor and all such persons will be directed to co-operate with any request made by the Committee;
- 5.3 consult any external legal, accounting or other independent professional body and to invite the attendance of outsiders with relevant experience and expertise without the need to inform the management;

- 5.4 approve expenses relating to the seeking of external advice and on the establishment of compliance management system;
- 5.5 delegate appropriate authority to the management for execution of instructions when considered appropriate; and
- 5.6 be provided with sufficient resources to discharge its duties.

6. Duties

The duties of the Committee shall include:

- 6.1 to establish, execute and maintain the compliance system of the Group;
- 6.2 to support and provide instruction to ensure that each business units can establish, execute and maintain its compliance system;
- 6.3 to produce the compliance manual and keep it updated;
- 6.4 to conduct education and training programmes on compliance matters, including compliance seminars;
- 6.5 to monitor the status of the compliance system; and
- 6.6 to investigate compliance problems and take appropriate measures when one arises (it may instruct the relevant department(s) to deal with the problem depending on its nature).

7. Meetings of the Committee

7.1 Number of meeting

There shall be at least one meeting of the Committee annually to be convened and held by attending in person, telephone or video conference. If required, extraordinary meeting could be convened.

7.2 Notice of meeting

Unless waived by all Members on notice, the secretary to the Committee shall give seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

7.3 Quorum

Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

7.4 Conducting the meetings

Meetings could be convened by attending in person, telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

7.5 Resolutions

Any resolution shall be passed by the majority votes of the Members.

7.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meetings but such executive Directors, advisers or individuals are not entitled to vote at the meetings.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary to the Committee. Minutes shall record matters considered and decisions reached by the Members in details, including any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comment and records within a reasonable time after the meetings, respectively.

8. Report

Chairman of the Committee who chair the meetings or other Member who is authorised by the Chairman of the Committee to chair the meetings shall report to the Board after each meeting of the Committee.

9. Interpretation

Interpretation of these terms of reference shall belong to the Board.

(Adopted by the Company pursuant to the Board's resolutions passed on 2 November 2013)