

HUAJUN HOLDINGS LIMITED

華 君 控 股 有 限 公 司

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

審核委員會職權範圍書

Adopted on:	20 September 2004	採納於：	二零零四年九月二十日
Amended on:	3 March 2005	修訂於：	二零零五年三月三日
	21 July 2006		二零零六年七月二十一日
	28 November 2008		二零零八年十一月二十八日
	3 February 2009		二零零九年二月三日
	21 October 2010		二零一零年十月廿一日
	5 November 2010		二零一零年十一月五日
	28 March 2012		二零一二年三月二十八日
	31 December 2015		二零一五年十二月三十一日

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Constitution 組織

1. The Audit Committee (hereinafter referred to as the “Committee”) is established pursuant to a resolution passed by the board of directors (the “Directors”) of the Company (the “Board”) at the Board's meeting held on 20 September 2004. The terms of reference of the Committee are revised and adopted by written resolutions passed by the Board. In light of the latest amendments made to the Corporate Governance Code and Corporate Governance Report (the “Code”) (which will take effect on 1 January 2016), the Board has further adopted the following revised terms of reference of the Committee on 31 December 2015 in accordance with such Code amendments.

審核委員會（以下簡稱為「委員會」）是根據本公司董事（「董事」）會（「董事會」）於二零零四年九月二十日董事會會議通過的決議案成立。委員會的職權範圍由董事會以書面決議案通過修訂及採納。鑑於企業管治常規守則及企業管治報告（「守則」）作出最新修訂（將在2016年1月1日生效），本公司董事會於2015年12月31日通過了按照該準則修訂就委員會的職權範圍作出以下修訂。

Membership 成員

2. The Committee shall be appointed by the Board from amongst the Non-Executive Directors of the Company and shall consist of not less than three members, a majority of whom shall be independent. At least one of the members of the Committee shall be an Independent Non-Executive Director with appropriate professional qualifications or accounting or related financial management expertise as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). A quorum shall be two members of Independent Non-Executive Director.

審核委員會成員須由董事會從公司的非執行董事中委任。委員會最少須由三名成員組成，其中大部分應為獨立人士，而最少一名成員需為獨立非執行董事具有香港聯合交易所證券上市規則（「上市規則」）要求之合適專業資格或會計或有關財務管理專業經驗。委員會的法定人數為獨立非執行董事委員兩人。

3. The Chairman of the Committee shall be appointed by the Board and shall be an Independent Non-Executive Director.

審核委員會主席須由董事會委任，並且應為獨立非執行董事。

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Attendance at meetings 出席會議

4. Attendees shall normally include Committee's members, the Financial Controller (where there is one or any officer(s) assuming the relevant functions but having a different designation), the Head of Internal Audit (where there is one or any officer(s) assuming the relevant functions but having a different designation), a representative of the external auditors and those with meaningful input to the Committee's activities. However, at least once a year the Committee shall meet with the external and internal auditors without executive Board members present.

出席人員一般包括審核委員會成員、財務總監（如有或其他承擔相關職能但頭銜不同的管理人員）、內部核數部門主管（如有或其他承擔相關職能但頭銜不同的管理人員）、外聘核數師的代表及對審核委員會的事宜投入有意義工作的人士。然而，審核委員會應每年最少一次在董事會執行董事避席的情況下，與外聘核數師及內部核數師舉行會議。

5. The company secretary shall be the secretary of the Committee. The secretary of the Committee or in his absence, his representative or any one member, shall be the secretary of the meetings of the Committee.

審核委員會秘書為公司秘書。審核委員會秘書或其未克出席，其代表或任何一位審計委員會會員將出任審核委員會會議秘書。

Frequency of meetings 會議次數

6. Meetings shall be held not less than twice a year. The external auditors may request a meeting if they consider that one is necessary.

會議次數應不少於每年兩次。外聘核數師如認為有需要，可要求召開會議。

Authority 權力

7. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

董事會授權審核委員會按照其職權範圍進行任何調查。委員會有權向任何雇員索取任何所需資料，而所有雇員亦獲指示與委員會合作，滿足其任何要求。

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8. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

董事會授權審核委員會向外諮詢法律或其他獨立的專業意見；如有需要，可邀請具備相關經驗及專業知識的外界人士出席會議。

9. The Committee shall report to the Board any suspected frauds or irregularities, failures of internal control or suspected infringements of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board.

委員會應在獲知懷疑詐騙或違法行為、內部監控的失效或懷疑侵犯法律、法規和規例的行為，且認為該情況的嚴重程度需要董事會予以關注後，將該情況報告給董事會。

Duties 職務

10. The duties of the Committee shall be :

審核委員會的職務如下：

(a) to be primarily responsible for making recommendation to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;

主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；

(b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard. The audit committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences and ensure co-ordination where more than one audit firm is involved;

按適用的標準檢討及監察外聘核數是否獨立客觀及核數程序是否有效；審核委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；如有超過一家核數師事務所參與工作，則應確保他們互相協調；

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(c) to develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The audit committee should 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;

就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，外聘核數師包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該負責核數的公司的本土或國際業務的一部分的任何機構。核數委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議有哪些可採取的步驟；

(d) to act as the key representative body for overseeing the Company's relation with the external auditor:

擔任公司與外聘核數師之間的主要代表，負責監察二者之間的關係。

(e) to monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In this regard, in reviewing the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports before submission to the board, the committee should focus particularly on:

監察本公司的財務報表及本公司年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有關本公司年度報告及賬目、半年度報告及(若擬刊發)季度報告前作出審閱有關報表及報告時，應特別針對下列事項：

(i) any changes in accounting policies and practices;

會計政策及實務的任何更改；

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(ii) major judgmental areas;

涉及重要判斷的地方；

(iii) significant adjustments resulting from audit;

因核數而出現的重大調整；

(iv) the going concern assumptions and qualifications;

企業持續經營的假設及任何保留意見；

(v) compliance with accounting standards; and

是否遵守會計準則；及

(vi) compliance with the Exchange Listing Rules and other legal requirements in relation to financial reporting;

是否遵守有關財務申報的《上市規則》及其他法律規定；

(f) In regard to (e) above:-

就上述(e)項而言：—

(i) members of the committee must liaise with the Company's board of directors and senior management and the committee must meet, at least once a year, with the Company's auditors; and

委員會成員須與本公司的董事會及高層管理人員聯絡。委員會須至少每年與本公司的核數師開會一次；及

(ii) the committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's staff responsible for accounting and financial reporting function compliance officer or auditors;

委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由本公司屬下會計及財務匯報職員、監察主任或核數師提出的事項；

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(g) to review the Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the board itself, to review the issuer's risk management and internal controls systems;

檢討本公司的財務監控、以及（除非有另設的董事會轄下風險委員會又或董事會本身會明確處理）檢討風險管理及內部監控制度；

(h) to discuss the risk management and internal control systems with management to ensure that management has discharged its duty to have an effective systems; including the adequacy of resources, qualifications and experience of staff of the issuer's accounting and financial reporting function, and their training programmes and budget;

與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的系統；包括考慮本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否足夠；

(i) to consider any findings of major investigations of risk management and internal control matters as delegated by the board or on its own initiative and management's response;

主動或應董事會的委派，就有關風險管理及內部監控事宜的重要調查結果及管理層的回應進行研究；

(j) to discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of management where necessary);

與核數師討論在中期及全年帳目審核中出現的問題及存疑之處，以及核數師希望討論的其他事宜（如有需要，可在管理層避席的情況下進行）；

(k) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of controls and management's response;

審閱外聘核數師給予管理層的《審核情況說明函件》、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；

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(l) to review the Company's statement on risk management and internal control systems (where one is included in the annual report) prior to endorsement by the board;

如年報載有關於公司風險管理及內部監控制度的陳述，則應於提呈董事會審批前先行審閱；

(m) where an internal audit function exists to review the internal audit programme, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;

如公司設有內部核數功能，則應審閱內部核數計劃，須確保內部和外聘核數師的工作得到協調，也須確保內部核數功能在本公司內部有足夠的資源運作，並且享有適當的地位，以及檢討及監察內部核數功能是否有效；

(n) to ensure that the board will provide a timely response to the issues raised in the external auditor's management letter;

確保董事會及時回應於外聘核數師給予管理層的《審核情況說明函件》中提出的事宜；

(o) to report to the board on the matters set out in provision of terms of reference of the Committee;

就審核委員會其職權範圍條文所載的事宜向董事會匯報；

(p) to review the group's financial and accounting policies and practices;

檢討集團的財務及會計政策及實務；

(q) to review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee should ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action; and

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檢討公司設定的以下安排：公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。審核委員會應確保有適當安排，讓公司對此等事宜作出公平獨立的調查及採取適當行動；及

(r) to consider other topics, as defined by the board;

研究其他由董事會界定的課題。

Corporate Governance delegated by the Board

11. To ensure the upheld of good corporate governance including, but not limited to:

為確保良好的公司管治之樹立包括，但不限於：

11.1 to develop and review the policies and practices of the Company on corporate governance and make recommendations to the Board;

發展及回顧本公司有關公司管治之政策及常規並作出建議予董事局。

11.2 to review and monitor the training and continuous professional development of Directors and senior management;

回顧及監察董事及高級管理層之培訓及持續專業發展。

11.3 to review and monitor the policies and practices of the Company on compliance with legal and regulatory requirements;

回顧及監察本公司有關遵守法律及監管規定之政策及常規。

11.4 to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the directors of the Company and employees; and
發展、回顧及監察適用於本公司董事及員工之行為準則及合規手冊(如有)；及

11.5 to review the compliance by the Company with the Corporate Governance Code (Appendix 14 to the Listing Rules) and the disclosure requirements for the Corporate Governance Report.

回顧本公司就於企業管治常規守則(上市規則附錄14)及企業管治報告之披露需求的合規。

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Reporting procedures 彙報程式

12. The secretary or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

審核委員會秘書或其代表應將委員會的會議記錄及報告向董事會全體成員傳閱。