

ENN ENERGY HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

TERMS OF REFERENCE FOR THE INDEPENDENT BOARD COMMITTEE

(Adopted on 23 October 2020)

ENN ENERGY HOLDINGS LIMITED

Terms of Reference for the Independent Board Committee

Formation

1. The Board of Directors (the “**Board**”) of ENN Energy Holdings Limited (the “**Company**”) resolved to establish a committee of the Board to be known as the Independent Board Committee (the “**Committee**”). The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of Directors.

Composition and Quorum

2. Members of the Committee shall be the independent non-executive directors of the Company as appointed by the Board from time to time. The Committee shall consist of not less than three members, while there is no upper limit on number of members.
3. The Chairman of the Committee (the “**Chairman**”) shall be appointed by the Board, responsible for leading the Committee to ensure the effective functioning of the Committee and perform their duties.
4. The quorum of any Committee meeting shall be two members.
5. Questions arising at any meetings shall be decided by a simple majority of votes.
6. The Committee shall continuous to function until the dismissal of the Committee by the Board.

Attendance at meetings of Committee

7. The Committee shall invite appropriate person(s) to attend a meeting whenever it is necessary. Other non-committee Board members also has the right to attend so as to provide information and answer any questions, provided that such person(s) or members who have material personal interest in the relevant transaction(s) should not be counted in the quorum within.
8. Members of the Committee who have significant personal interest in the relevant transaction(s) or arrangement(s) shall not participate in the relevant meeting.

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9. The company secretary of the Company shall be the secretary of the Committee. When he/she is unable to attend the Committee meeting, such other person, as may be allowed by the Chairman, may act as the secretary of the meeting.
10. The meeting could be held in person or through other electronic means of communication, including but not limited to conference telephone, video conferencing systems etc., by which all persons participating in the meeting are capable of hearing each other. Those who participate in the meeting in the manner described in this clause will count as participation in person.
11. The resolutions of the Committee may be passed by written resolutions. If a member has a conflict of interest in the matters to be considered by the Committee which the Committee considers to be material, the relevant matters shall be discussed in a meeting.

Frequency of meetings

12. The Committee meeting shall be convened by the Chairman of the Committee, or by the secretary of the Committee upon the request by the Board.
13. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee, and to any other person(s) required to attend within a reasonable time prior to the date of the meeting.
14. An agenda of items to be discussed, together with supporting papers shall be sent to the Committee members and to other attendees as appropriate within a reasonable time prior to the date of the meeting.
15. Any members of the Committee shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of a Committee meeting.
16. Resolutions may be passed in writing by all members of the Committee.

Authority

17. The Committee is authorised by the Board to review, evaluate and provide

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recommendations within its terms of reference.

18. The Committee is authorised by the Board, subject to prior discussion concerning the cost, 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.
19. The Committee shall be provided with sufficient resources to discharge its duties.

Duties

20. The duties of the Committee shall be:
 - (a) to review and recommend for the Board's approval of all discloseable connected transactions of the Company, and assess the appropriateness of the continuing connected transactions (the "**CCT**");
 - (b) to discuss with the management of the Company and the independent financial adviser the rationale for conducting CCT(s) in the context of the business operation of the Group and its future and prospects;
 - (c) to discuss with the management of the Company and the independent financial adviser the basis for determining the pricing for the connected transaction(s)/CCT(s);
 - (d) to review the terms of framework agreements for the CCT(s) and the basis of the maximum annual amounts (the "**Cap Amounts**") for which the CCT(s) may be conducted for each of the three financial years and to assess the fairness and reasonableness of the terms and the Cap Amounts in comparison with similar transactions carried out by the Group with independent parties;
 - (e) to prepare letter(s) of advice for inclusion in circular(s) required to be despatched to the shareholders of the Company (the "**Circular**") including opinion from the Committee on whether or not the terms of the connected transaction(s)/CCT(s) and the Cap Amounts are fair and reasonable so far as the independent shareholders of the Company are concerned and our recommendation as to voting;
 - (f) to address comments and/or enquiries raised by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on the drafts announcement and Circular in order to obtain final clearance from the Stock Exchange prior to the bulk-

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printing;

(h) to attend the shareholders meeting of the Company to be held to consider the connected transaction(s)/CCT(s) and the Cap Amounts and answer questions that may be raised by the shareholders of the Company which requires opinion from the Committee;

(g) to review the effectiveness of the management on CCT(s); and

(h) to discuss any topics the Board considered to be appropriate for the Committee to consider.

Shareholders Meeting

21. The Chairman of the Committee (or another member of the Committee when the Chairman is absent, or an appropriately appointed proxy if the member failed to attend) shall attend the Company's shareholder's meeting(s) and be prepared to answer any questions raised about the duties and decisions made by the Committee in relation to the relevant transaction(s).

Reporting Procedures

22. At the next meeting of the Board following a meeting of the Committee, the Chairman of the Committee shall report to the Board on findings and the recommendations of the Committee.
23. The secretary of the Committee or his/her representative shall circulate the minutes of the Committee meeting to all members of the Committee.

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