



APT Electronics Co., Ltd.
廣東晶科電子股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

Working Rules of the Strategy Committee under the Board of Directors

Chapter 1 General Provisions

Article 1 In order to improve the scientificness of the decision-making of the board of directors (hereinafter referred to as the “**Board**”) of APT Electronics Co., Ltd. (hereinafter referred to as the “**Company**”) and to perfect the corporate governance structure of the Company, the Company has established the Strategy Committee and formulated these Working Rules in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Code of Corporate Governance for Listed Companies, the Articles of Association of APT Electronics Co., Ltd. (hereinafter referred to as the “**Articles of Association**”), the Procedural Rules of the Board of APT Electronics Co., Ltd. and other relevant laws and regulations.

Article 2 The Strategy Committee of the Board is a special working body under the Board and is mainly responsible for conducting research and providing recommendations on the Company’s long-term development strategies and major investment decisions.

Chapter 2 Composition and Responsibilities of the Strategy Committee

Article 3 The Strategy Committee shall consist of three to seven directors, including at least one independent director. The Strategy Committee shall have one chairman (convener), who shall be the chairman of the Board and shall be responsible for presiding over the work of the Committee.

Article 4 The major powers and functions of the Strategy Committee include:

- (I) to conduct research and provide recommendations on the strategic plans for long-term development of the Company;
- (II) to conduct research and provide recommendations on the major investments and financing plans which require the approval of the Board in accordance with the requirements of the Articles of Association;
- (III) to conduct research and provide recommendations on the major capital operation and asset management projects which require the approval of the Board in accordance with the requirements of the Articles of Association;

- (IV) to conduct research and provide recommendations on other major issues affecting the development of the Company;
- (V) to inspect the implementation of the above matters;
- (VI) to exercise other powers and functions as authorized by the Board.

Article 5 Members of the Strategy Committee shall meet the following requirements:

- (I) not falling into the categories where a person shall not serve as a director, supervisor or senior management of the Company in accordance with the Company Law or the Articles of Association;
- (II) having not been publicly denounced or declared as an unsuitable candidate by a stock exchange within the last three years;
- (III) having not been subject to administrative penalty by China Securities Regulatory Commission due to gross violation of laws and regulations within the last three years;
- (IV) having high standards of ethical behavior and having relevant professional knowledge or working background in human resources management, business management, finance, law and the industry in which the Company operates;
- (V) complying with other conditions stipulated by relevant laws and regulations or the Articles of Association.

Article 6 The one who does not conform to the qualifications prescribed in Article 5 of these Working Rules shall not be elected as a member of the Strategy Committee. A member of the Strategy Committee who does not conform to the qualifications prescribed in Article 5 of these Working Rules during his/her term shall resign or be replaced by the Board of the Company.

Article 7 Members of the Strategy Committee shall be nominated by recommendation of the chairman of the Board, more than half of the independent directors or more than one-third of all directors.

Article 8 The Board shall appoint members of the Board to serve on the Strategy Committee, and the appointment shall take into account the wishes and professional background of the directors. If direct arrangement is not possible, the Board may elect the members of Strategy Committee according to the simple majority principle, and the chairman of the Board shall assign the directors to the Strategy Committee in accordance with the results of the election.

Article 9 The term of office of members of the Strategy Committee shall be the same as that of the Board, renewable upon re-election at its expiry. If any member no longer maintains the position as a director of the Company during his/her term of office, he/she shall automatically disqualify as a member, and the vacancy shall be filled by the Strategy Committee in accordance with the provisions of these Working Rules.

Article 10 Where the number of members of the Strategy Committee falls below the agreed minimum number due to the resignation or dismissal of members or other reasons, the Board of the Company shall appoint new candidates for members as soon as possible. Before the number of members of the Strategy Committee reaches the agreed minimum number, the Strategy Committee shall suspend the exercise of the powers and functions provided in these Working Rules.

Article 11 The convenor of the Strategy Committee exercises the following powers and functions:

- (I) to convene and preside over work meetings of the Committee;
- (II) to report work to the Board;
- (III) to execute documents of the Committee;
- (IV) to exercise other powers and functions as authorized by the Board.

Article 12 Members of the Strategy Committee shall:

- (I) perform duties based on the authorization of the Board and provide the Board with suggestions and recommendations in respect of supervision, implementation and strategic decision making;
- (II) handle the Committee's affairs in good faith and with adequate attention and prudence;
- (III) ensure ample time and energy devoted to the meetings of the Committee;
- (IV) make independent judgments;
- (V) other matters as authorized by the Board.

Article 13 The Strategy Committee shall hold extraordinary meetings based on its work needs. Directors, supervisors, president and other senior management may attend the meetings.

Article 14 The Strategy Committee shall be accountable to the Board. The proposals of the Strategy Committee shall be submitted to the Board for consideration and decision.

Chapter 3 Rules of Procedures of the Strategy Committee

Article 15 The notices of meetings of the Strategy Committee shall be sent to all members in writing by fax or by e-mail five days before the meetings, and the meetings shall be chaired by the convenor. The extraordinary meetings may be held by way of on-site meetings or off-site meetings, and voting may be conducted by means of communication (including telephone, video, e-mail or other expeditious means).

The quorum of the meetings of the Strategy Committee shall be two-thirds or more of all its members.

Unless otherwise required in the Articles of Association and these Working Rules, the meetings of the Strategy Committee may pass resolutions by fax or e-mail with members present affixing their signatures thereon, provided that the attending members can fully express their opinions. In case of a meeting voting by means of communication, members of the Committee signing on the resolutions of meetings shall be considered to be present at such meetings and agree with such resolutions.

Article 16 If a director or supervisor has a special agenda which need to be proposed at the meeting of the Strategy Committee for consideration, a written report on relevant representations shall be submitted to the convenor, who shall then determine whether to arrange a meeting pursuant to the materiality principle.

Article 17 The secretary of the Board of the Company shall organize and complete the business work of the Strategy Committee, such as the preparation of meeting materials, minutes of meetings, the arrangement and drafting of research reports and other materials required to be submitted to the Board.

Article 18 Members of the Strategy Committee shall properly manage the documents and information it handled within its scope of duties, and shall not divulge relevant information or data coming to its knowledge within its scope of duties without permission.

Article 19 The Strategy Committee may invite experts and staff of the business department of the Company other than the members of the Committee to attend the meetings and provide business consulting opinions. Persons other than the members of the Strategy Committee shall not have the right to vote.

Article 20 Members of the Strategy Committee shall offer opinions on meeting proposals on the basis of adequate consideration and discussion. Votes may be made by a show of hands or by poll in the meetings of the Strategy Committee.

Article 21 The Strategy Committee shall make minutes of the decisions on the matters discussed at the meetings, which shall be signed by the members present at the meetings. If any member has a different opinion, he/she shall also state it when signing the minutes.

Article 22 Resolutions of the meetings of the Strategy Committee shall be valid only if all members are present and voting, unless a member expressly authorizes another member to vote on his behalf; each member has one vote, and resolutions of the meetings shall be passed by a majority of all members.

Article 23 The Strategy Committee shall keep minutes of the meetings. The members present at the meetings shall sign the minutes of the meetings that shall be kept by the secretary of the Board of the Company for 10 years or for the duration of the Company if the duration of the Company is less than 10 years.

Article 24 The opinions and voting results deliberated at the meetings of the Strategy Committee shall be reported to the Board of the Company in writing.

Article 25 Members present at the meeting shall be obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.

When considering proposals relating to connected matters, members of the Strategy Committee shall make written or verbal statements as to the independence of their judgments, which shall be included in the meeting minutes.

Chapter 4 Supplementary Provisions

Article 26 Matters not covered in these Working Rules shall be implemented in accordance with the provisions of the relevant laws and regulations of the PRC and the Articles of Association. In case of any conflict between these Rules and any future laws and regulations of the PRC or the Articles of Association (as amended pursuant to legal procedures), such laws and regulations and the Articles of Association shall prevail, and corresponding amendments to these Rules shall be made forthwith, and shall be reported to the Board for consideration and approval.

Article 27 The authority of interpretation of these Working Rules shall be vested in the Board of the Company.

Article 28 These Working Rules and amendment thereof shall be effective from the date of approval by the Board of the Company.