



恒安國際集團有限公司

HENGAN INTERNATIONAL GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1044)

TERMS OF REFERENCE OF THE SHARE INCENTIVE COMMITTEE

(Adopted on 11 September 2023)

1 ESTABLISHMENT

The board (the “**Board**”) of directors (the “**Director(s)**”) of Hengan International Group Company Limited (the “**Company**”) hereby constitutes and establishes the Share Incentive Committee (the “**Committee**”). The purpose of setting up the Committee is to manage all matters relating to the Share Award Scheme (the “**Scheme**”) of the Company adopted on 11 September 2023. The authority, responsibilities and specific duties of the Committee are set forth below.

2 MEMBERSHIP

- 2.1 The Committee shall consist of at least all of the independent non-executive Directors from time to time. The Board may appoint one executive Director (who shall be independent from the controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”)) of the Company and all persons presumed to be “acting in concert” (as defined in The Codes on Takeovers and Mergers and Share Buybacks of the Securities and Futures Commission of Hong Kong) with such controlling shareholders, and the relatives (as defined in the Listing Rules) of the controlling shareholders of the Company).
- 2.2 Members of the Committee (the “**Members**”), including the chairman of the Committee (“**Chairman**”), shall be appointed by the Board.
- 2.3 Meetings of the Committee must be chaired by the Chairman or, in his/her absence, by a person elected by the other Members present at the meeting.

3 SECRETARY

- 3.1 The secretary of the Committee shall be the company secretary of the Company or a person designated by the Committee.
- 3.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

4 QUORUM

- 4.1 The quorum required for Committee meetings shall be any three (3) Members and no business shall be conducted unless a quorum is present at the beginning and throughout the meeting.
- 4.2 All or any part of the authority, powers and discretion vested in or exercisable by the Committee may be exercised by a resolution of all Members present at a meeting where there is a quorum. Each Member of the Committee present at the meeting (whether in person or by telephone conference or other similar equipment) shall have one vote. A resolution is passed if more votes are cast for than against it.
- 4.3 Anything which may be done by a meeting of the Committee may, without a meeting be done by resolution in writing signed by all Members of the Committee and in as many counterparts as may be necessary.

5 NUMBER OF MEETINGS

- 5.1 The Committee may hold meetings as needed.

6 AUTHORITY

- 6.1 The Committee is authorized by the Board to seek any grant of awards-related information it requires from senior management of the Company in order to perform its duties.
- 6.2 The Committee is authorized by the Board to have access to independent professional advice where necessary.
- 6.3 The Committee shall be provided with sufficient resources to perform its duties.

7 DUTIES

- 7.1 The Scheme shall be subject to the administration of the Committee in accordance with the rules governing the Scheme. The Committee shall have the following duties, powers and discretion:
 - 7.1.1 to, at any time the Committee considers appropriate, pay to the trustee of the Scheme (the “**Trustee**”) (or as it shall direct) from the Company’s internal resources a sum of money which the Committee considers appropriate in accordance with the rules of the Scheme;
 - 7.1.2 to, at its discretion and subject to rules of the Scheme, instruct the Trustee to apply such sum of money in accordance with the rules of the Scheme towards (i) the purchase of the maximum number of board lots of the Shares at a price which falls within a range to be set by the Committee; and/or (ii) to settle other costs and expenses in connection with the Scheme;
 - 7.1.3 to determine the eligibility of the person for participation in the Scheme;

- 7.1.4 to review and approve the number of shares to be awarded to eligible persons and such other terms with reference to the Board's corporate goals and objectives;
- 7.1.5 enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the Scheme subject to the provisions of the articles of association of the Company, rules of the Scheme and the trust deed in relation to the Scheme;
- 7.1.6 to ensure that no Director is involved in deciding that Director's or any of their associates own grant of awards;
- 7.1.7 to review and/or approve matters relating to the Scheme;
- 7.1.8 to review from time to time as appropriate these Terms of Reference and the effectiveness of the Committee and recommend to the Board any necessary changes; and
- 7.1.9 to determine such other matters which the Committee shall administer pursuant to the rules of the Scheme.

8 MINUTES AND RECORDS

- 8.1 Minutes of Committee meetings should be transmitted to all Members within a reasonable period of time after a meeting.
- 8.2 The secretary of the Committee shall prepare and circulate the minutes of the Committee to all members of the Board.

9 REPORTING

- 9.1 The Committee shall report to the Board as and when appropriate.

10 SUPPLEMENTAL PROVISIONS

- 10.1 In case of any discrepancy between the Chinese and English versions of these Terms of Reference, the English version shall prevail.