



# QIANLONG TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

( 乾隆科技國際控股有限公司 )

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 01236)

(“Company”)

## Terms of Reference of Remuneration Committee

### 1. OBJECTIVE

The main objective of the remuneration committee (“Committee”) is to regularly make recommendations to the board (“Board”) of directors (“Directors”) of the Company on the Company’s policy and structure for the remuneration of all the Company’s Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy. The Committee is accountable to the Board.

### 2. COMPOSITION

- 2.1 The Committee shall comprise three directors of the Company (“Directors”) who are appointed or removed by the Board. If any member of the Committee (“Member”) ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board;
- 2.2 The majority of the Members shall be independent non-executive Directors; and
- 2.3 The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive Director.

### 3. DUTIES

The duties of the Committee are as follows:

- 3.1 may demand any information necessary for performing its duty from any senior management or employees of the Company within its scope of power;
- 3.2 to consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive Directors and senior management of the Company. The Committee should have access to independent professional advice if necessary, or invite externals who possess relevant experience and professional knowledge to attend meetings, where the costs incurred shall be borne by the Company;
- 3.3 to make recommendations to the Board on the Company’s policy and structure for all Directors’ and the Company’s senior management’s remuneration and on the

establishment of a formal and transparent procedure for developing remuneration policy;

- 3.4 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 3.5 to determine, with delegated responsibility, the remuneration packages of individual executive Directors and the Company's senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 3.6 to make recommendations to the Board on the remuneration of non-executive Directors;
- 3.7 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 3.8 to review and approve compensation payable to executive Directors and the Company's senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- 3.9 to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- 3.10 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration.

#### **4. MEETINGS OF THE COMMITTEE**

- 4.1 **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. Where necessary, an extraordinary meeting may be convened.
- 4.2 **Quorum**  
The quorum of meetings of the Committee shall be half of the Members.
- 4.3 **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.

#### 4.4 Resolutions

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

#### 4.5 Minutes of meeting

Full minutes of committee meetings should be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes of meetings should be sent to all members of the Committee for their comment and records respectively, in both cases within a reasonable time after the meeting.

### **5. REPORT**

The chairman of the Committee or his/her nominee who chairs the meetings shall report to the Board after each meeting of the Committee.

### **6. INTERPRETATION**

These terms of reference are subject to the interpretation of the Board which shall be final and conclusive.

(This document is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.)