

L.K. TECHNOLOGY HOLDINGS LIMITED
(the “Company”)

TERMS OF REFERENCE
OF
REMUNERATION COMMITTEE
(the “Committee”)

(as adopted on 29 March 2012 and amended on 31 March 2023)

Membership

1. All members of the Committee shall be appointed by the Board. The Committee is chaired by an independent non-executive director and comprises a majority of independent non-executive directors.
2. The Committee shall consist of a minimum of three (3) members.

Frequency and proceedings of meetings

1. The Committee shall meet at least two times a year and at such other times as the chairman of the Committee shall require.
2. The Committee may invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members.
3. The quorum for a meeting shall be two members.
4. Notice of any meeting has to be given at least five (5) days prior to any such meeting being held, unless all members unanimously waive such notice. An agenda of items to be discussed, together with supporting papers shall be sent to all members of the Committee and to other attendees as appropriate within a reasonable time prior to the meeting.
5. The Company Secretary shall act as the secretary of the Committee.
6. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

7. A resolution in writing signed by all of the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents all in like form.
8. Subject to the above, the provisions and requirements in relation to the proceedings of meetings of the Board contained in the Company's Articles of Association shall apply, mutatis mutandis, to meetings of the Committee.

Authority

1. The Committee is authorized to review and develop policies in relation to the remuneration of directors and senior management and make recommendations, if any, to the Board. It is authorized to have access to any information it may require from the Chairman and/or Chief Executive in respect of the remuneration packages of other directors.
2. The Committee is authorized by the Board to obtain external legal or other independent professional advice (including the advice of remuneration consultants) at the costs of the Company if the Committee considers necessary.
3. The Committee shall consult the Chairman and/or Chief Executive about their remuneration proposals for other executive directors.

Duties

The Committee shall have the following duties:

1. to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
2. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

3. to make recommendations to the Board on the remuneration packages of individual executive directors and 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;
4. to make recommendations to the Board on the remuneration of non-executive directors;
5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
6. to review and approve compensation payable to executive directors and 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;
7. 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;
8. to ensure that no director or any of his associates is involved in deciding his own remuneration;
9. to address and deal with such other matters as may be delegated by the Board to the Committee from time to time;
10. to delegate such of its powers in relation to the remuneration packages/compensation arrangements of the senior management as the Committee deems appropriate to executive directors; and
11. to review and/or approve matters relating to share schemes under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reporting Procedures

1. The secretary of the Committee shall circulate the minutes of meetings and reports of the Committee to all members of the Board.
2. The Committee shall report back to the Board on their findings, decisions and recommendations on the matters set out herein.

Other

The Committee may review from time to time its terms of reference and recommend any changes it considers necessary to the Board for approval.