

These terms of reference are prepared in English. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.



HARBOUR EQUINE HOLDINGS LIMITED
維港育馬控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock code: 8377)
(the “Company”)

Remuneration Committee

Terms of Reference

1. Constitution

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company (together with its subsidiaries, the “**Group**”) has resolved to set up a remuneration committee (the “**Committee**”).

2. Objective

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

3. Membership

3.1 The Committee shall comprise a minimum of three Directors and shall be appointed or removed by the Board. If any member of the Committee (the “**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.

3.2 The majority of the Members shall be independent non-executive Directors.

3.3 The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive Director.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee shall be the secretary to the Company, or in his absence, his representative shall act as the secretary of the Committee (the “**Secretary**”). The Committee may from time to time appoint any other person with the appropriate qualifications as Secretary.

5. Authority

5.1 The Board authorises the Committee to conduct any investigation within its scope of powers. The Committee shall have the powers to demand any information necessary from any employees of the Group and instruct all employees to cooperate with the Committee and satisfy any of its requests.

5.2 The Board authorises the Committee to seek external legal advice or other independent professional advice, and may invite outsiders who possess relevant experience and professional knowledge to attend meetings if necessary.

6. Duties

6.1 The duties of the Committee shall include:

- (a) to consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive Directors. The Committee should have access to independent professional advice if necessary;
- (b) to formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, employment conditions, and responsibilities, and individual performance of the Directors, senior management and the general staff of the Company. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board;
- (c) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (d) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management of the Group. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment and make recommendations to the Board of the remuneration of non-executive Directors of the Group. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- (e) to make recommendations to the Board on the remuneration of non-executive Directors;
- (f) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- (g) to review and approve compensation payable to executive Directors and senior management of the Group in connection with any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (h) 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;
- (i) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration and that, as regards the remuneration of a non-executive Director who is a member of the committee, his remuneration should be determined by the other members of the committee;

- (j) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (k) to conform any requirement, direction and regulation that may from time to time be prescribed by the Board, or contained in the article of association of the Company or imposed by applicable rules and regulations;
- (l) to consider the annual performance bonus for Directors, senior management and the general staff of the Company, having regard to their respective achievements against the performance criteria and by reference to market norms, and make recommendation to the Board accordingly;
- (m) review and/or approve matters relating to share schemes under Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**the GEM Listing Rules**”); and
- (n) to advise shareholders of the Company with respect to any service contracts of the Directors that require shareholders’ approval under the GEM Listing Rules.

For the purpose of this paragraph 6, “senior management” shall refer to the same category of persons as referred to in the Company’s annual report and is required to be disclosed under Chapter 18 of the GEM Listing Rules.

7. Meetings of the Committee

7.1 Number of meeting

There shall be at least one meeting of the Committee annually. If required, extraordinary meeting could be convened at any time when necessary or desirable.

7.2 Notice of meeting

Unless waived by all Members on notice, the secretary to the Committee shall give at least seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

7.3 Quorum

Meetings of the Committee shall be attended by more than two of the Members to be effective.

7.4 Conducting the meetings

Meetings could be convened by attending in person, by 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.

7.5 Resolutions

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

7.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meetings but such executive Directors, advisers or individuals are not entitled to vote at the meetings.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary to the Committee. Minutes shall record matters considered and decisions reached by the Members in details, including any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comment and record, within a reasonable time after the meetings. The Secretary or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

8. Report

Chairman of the Committee who chair the meetings or any other Member who is authorised by the Chairman of the Committee to chair the meetings shall report to the Board of the Committee's findings, decisions and recommendations after each meeting of the Committee.

9. Interpretation

Interpretation of these terms of reference shall belong to the Board.

(Amended and re-adopted by the board on 23 December 2022)