

These terms of reference are prepared in both English and Chinese versions. In case of any discrepancies or inconsistencies, the English version shall always prevail.



CNC HOLDINGS LIMITED

中國新華電視控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 8356)

**TERMS OF REFERENCE OF
THE REMUNERATION COMMITTEE**

CNC HOLDINGS LIMITED

中國新華電視控股有限公司

(the “Company”)

Terms of Reference of the Remuneration Committee

Adopted by the Board on 27 March 2012 and Amended on 27 January 2023

1. Constitution

1.1 The board of directors (“**Directors**”) of the Company (the “**Board**”) resolved to establish a remuneration committee (the “**Remuneration Committee**”) on 11 August 2010.

2. Membership

2.1 Members of the Remuneration Committee shall be appointed by the Board. The Remuneration Committee shall consist of not less than three members and the majority of which shall be independent non-executive Directors.

2.2 The Board shall have the right to appoint and remove members of the Remuneration Committee. The Board shall also have the right to appoint additional members to the Remuneration Committee.

3. Chairman

3.1 The Board shall appoint a chairman (the “**Chairman**”) for the Remuneration Committee who shall be an independent non-executive Director.

3.2 In the absence of the Chairman at any meeting of the Remuneration Committee, the remaining members of the Remuneration Committee present at any meeting convened in accordance with these terms of reference shall elect among the remaining members of the Remuneration Committee to act as the Chairman.

3.3 The Chairman may be removed at any time by the Board.

4. Secretary

4.1 The company secretary or his/her nominee shall act as the secretary of the Remuneration Committee.

4.2 In the absence of the secretary of the Remuneration Committee, the members of the Remuneration Committee present at the meeting shall elect another person to act as the

secretary.

5. Notice

- 5.1 Unless otherwise agreed by all members of the Remuneration Committee, a meeting of the Remuneration Committee shall be called by at least seven days' notice.
- 5.2 A member of the Remuneration Committee may and, on the request of a member of the Remuneration Committee, the secretary of the Remuneration Committee shall, at any time summon a meeting of the Remuneration Committee. Notice shall be given to each member of the Remuneration Committee orally in person or in writing or by telephone or by telex or telegram or facsimile transmission or electronic mail at the telephone or facsimile or address or electronic mail address from time to time notified to the secretary by such member of the Remuneration Committee by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.
- 5.3 Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Remuneration Committee for the purposes of the meeting.

6. Quorum

- 6.1 The quorum necessary for the transaction of business of the Remuneration Committee shall be two. No business shall be transacted at any meeting of the Remuneration Committee unless a quorum of members is present at the time when the meeting proceeds to business.
- 6.2 If only two members are present at any meeting of the Remuneration Committee, at least one member must be an independent non-executive Director.
- 6.3 A duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Remuneration Committee pursuant to these terms of reference.

7. Frequency of Meetings

- 7.1 Meeting of the Remuneration Committee shall be held at least once a year and at such other times as the Chairman shall require.

8. Minutes of Meetings

- 8.1 Minutes of the Remuneration Committee should record in sufficient detail regarding the

matters considered by the Remuneration Committee and decisions reached, including any concerns raised by any member of the Remuneration Committee or dissenting views expressed. Drafts and final versions of minutes of the Remuneration Committee meetings should be sent to all members of the Remuneration Committee for their comment and records within a reasonable time after the meeting is held.

8.2 Minutes of the Remuneration Committee meetings shall be kept by the secretary of the Remuneration Committee and shall be made available for inspection by any member of the Remuneration Committee and any Director at any reasonable time and on reasonable notice.

9. Written Resolutions

9.1 Resolutions may be passed by all members of the Remuneration Committee in writing.

10. Duties

10.1 The duties of the Remuneration Committee shall include the following:

- (a) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management, or to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

- (f) to consider and approve the grant of share options and share appreciation rights to eligible participants pursuant to the share option scheme and share appreciation rights plan of the Company and to prepare the annual plan for the grant of share appreciation rights under the share appreciation rights plan of the Company and be responsible for the day to day administration of the share appreciation rights plan;
- (g) 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;
- (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 review and/or approve matters relating to share schemes under Chapter 23 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited;
- (j) to ensure that no Director or any of his associates is involved in deciding his own remuneration;
- (k) to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under rule 17.90 of the Rules Governing The Listing of Securities on the GEM of The Stock Exchange of Hong Kong;
- (l) to consult the chairman of the Board and/or the chief executive officer of the Company about their proposals relating to the remuneration of other Directors;
- (m) to ensure proper disclosure of the Director's remuneration in the annual report of the Company in accordance with the accounting principles and the Rules Governing The Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited; and
- (n) to address and deal with such other matters as may be delegated by the Board to the Remuneration Committee.

11. Reporting Procedures

11.1 The Remuneration Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Remuneration Committee, the Chairman shall report the findings and recommendations of the Remuneration Committee to the Board.

11.2 The Chairman, or in the absence of the Chairman, a member of the Remuneration Committee or failing this his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to shareholders' questions.

12. Authority

12.1 Management of the Company shall be obliged to supply to the Remuneration Committee with adequate information in a timely manner to enable it to make informed decisions. The information supplied must be complete and reliable.

12.2 The Remuneration Committee shall have access to sufficient resources and is authorized by the Board to seek any information it requires from any employee of the Company or its subsidiaries in order to discharge its duties and all employees are directed to co-operate with any request made by the Remuneration Committee.

12.3 In carrying out its duties, the Remuneration Committee, if considered necessary, is authorized by the Board to obtain, at the Company's expense, expert advice from independent legal or other professional advisors.

13. Continuing applications of the articles of association of the Company

13.1 The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions hereof shall apply, mutatis mutandis, to regulate the meetings and proceedings of the Remuneration Committee.

14. Powers of the Board

14.1 The Board may, subject to compliance with the articles of association of the Company and the Listing Rules, amend, supplement and revoke the provisions hereof and any resolution passed by the Remuneration Committee provided that no amendments to and revocation of these provisions and the resolutions passed by the Remuneration Committee shall invalidate any prior act and resolution of the Remuneration Committee which would have been valid if such provisions or resolutions had not been amended or revoked.