



Sunny Side Up Culture Holdings Limited
光尚文化控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8082)

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

1. Membership

- 1.1. Members of the Remuneration Committee shall be appointed, and may be removed, by the board of directors (the “Board”).
- 1.2. The Remuneration Committee shall be chaired by an independent non-executive director (“INED(s)”) and appointed by the Board.
- 1.3. A majority of the members of the Remuneration Committee shall be INEDs.

2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Remuneration Committee.
- 2.2. In the absence of the secretary of the Remuneration Committee, the members present at the meeting of the Remuneration Committee shall elect another person as secretary.

3. Meetings

- 3.1. The Remuneration Committee shall meet at least once a year.
- 3.2. The quorum for meetings of the Remuneration Committee shall be any two members.
- 3.3. Members of the Remuneration Committee may attend meetings of the Remuneration Committee either in person, by telephone or through other electronic means of communication (which are available to all attended parties).
- 3.4. A duly convened meeting of the Remuneration Committee at which a quorum is

present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Remuneration Committee.

- 3.5. The bye-laws of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions of these terms of reference shall apply, mutatis mutandis, to regulate the meetings and proceedings of the Remuneration Committee.

4. Attendance at meeting

- 4.1. At the invitation of the Remuneration Committee, other members of the Board and other persons may be invited to attend all or part of any meetings. However, they shall not be counted in the quorum and are not entitled to vote at the meetings.

5. Notice of meetings

- 5.1. A meeting of the Remuneration Committee may be convened by any of its members, or by the secretary of the Remuneration Committee at the request of any of its members.
- 5.2. Unless otherwise agreed by all the members of the Remuneration Committee, notice of at least 7 days shall be given of a regular meeting of the Remuneration Committee, and such notice shall be sent to each member of the Remuneration Committee, and to any other person invited to attend.
- 5.3. In respect of regular Remuneration Committee meetings, and so far as practicable in all other cases, an agenda and accompanying supporting papers shall be sent to all members of the Remuneration Committee and to other attendees as appropriate at least 3 days before the date of the meeting (or such other period as agreed).
- 5.4. Any member of the Remuneration Committee shall be entitled, by notice to the secretary of the Remuneration Committee, to include other matters relevant to the functions of the Remuneration Committee in the agenda of a Remuneration Committee meeting.

6. Minutes of meetings

- 6.1. The secretary of the Remuneration Committee (or his/her delegate) in attendance at the meetings of the Remuneration Committee shall minute in sufficient detail the matters considered

and decisions reached at such meetings. The minutes shall also include any concerns raised by any member of the Remuneration Committee and/or dissenting views expressed.

- 6.2. The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Remuneration Committee shall not be counted towards the quorum and he must abstain from voting on any resolution of the Remuneration Committee in which he or any of his associates has a material interest.
- 6.3. Draft and final versions of minutes of Remuneration Committee meetings shall be sent to all Remuneration Committee members for their comment and records respectively, in both cases within a reasonable time after the meeting. Once the minutes are signed, the secretary shall circulate the minutes and reports of the Remuneration Committee to all members of the Board.
- 6.4. Minutes of the Remuneration Committee shall be kept by the secretary of the Remuneration Committee and shall be available for inspection by any member of the Remuneration Committee or the Board at any reasonable time on reasonable notice.

7. Annual general meeting

- 7.1. The chairman of the Remuneration Committee or in his absence, another 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 answer questions at the Annual General meeting on the Remuneration Committee's activities and their responsibilities.

8. Responsibility, Powers and Functions

The responsibility, power and functions of the Remuneration Committee are as follows:-

- 8.1. to make recommendations to the Board on the Company's policy and structure for all directors' and senior managements' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 8.2. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 8.3. 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;

- 8.4. to make recommendations to the Board on the remuneration packages of non-executive directors (including INEDs);
- 8.5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.
- 8.6. to review and approve the 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;
- 8.7. 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;
- 8.8. to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- 8.9. to review and/or approve matters relating to share schemes under Chapter 23 of the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

9. Reporting responsibilities

- 9.1. The Remuneration Committee shall report back to the Board at the next meeting of the Board following a meeting of the Remuneration Committee on their decisions, findings or recommendations, unless there are legal or regulatory restrictions on their ability to do so.

10. Authority

- 10.1. The Remuneration Committee is authorized by the Board where necessary to have access to independent professional advice.

Note: Arrangement to seek independent professional advice could be made through Company Secretary.

10.2. The Remuneration Committee shall be provided with sufficient resources and information to perform its duties.

10.3. The Remuneration Committee shall consult the Chairman of the Board and/or chief executive of the Company about their proposals relating to the remuneration of other executive directors.

11. Publication of the terms of reference of the Remuneration Committee

11.1. The terms of reference of the Remuneration Committee will be posted on the websites of the Company and the Stock Exchange, and will be made available on request.

12. POWERS OF THE BOARD

12.1. The Board may, subject to compliance with the bye-laws of the Company and the GEM Listing Rules, amend, supplement and revoke the provisions of these terms of reference and any resolution passed by the Remuneration Committee provided that no amendments to and revocation of the provisions of these terms of reference 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.

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