

WLS HOLDINGS LIMITED

Terms of reference of the Remuneration Committee of the Board of Directors

WLS HOLDINGS LIMITED

(the “Company”)

Terms of reference of the Remuneration Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company

1. Establishment

- 1.1 The Committee is established pursuant to a resolution passed by the Board at its meeting held on 11 May 2006. These terms of reference were amended on 27 June 2025 by the Board.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members and a majority of whom shall be independent non-executive directors.
- 2.2 The Chairman of the Committee shall be appointed by the Board. The Chairman of the Committee should be an independent non-executive director of the Company.
- 2.3 The Company Secretary or any other person appointed by the Committee from time to time shall act as the Secretary of the Committee.
- 2.4 The appointment of the members of the Committee may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

3. Frequency and Proceedings of the Committee

- 3.1 The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
- 3.2 The Chairman of the Committee may convene additional meetings at his discretion.
- 3.3 The quorum of a meeting shall be two members of the Committee.
- 3.4 The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisers or consultants to advise its members.

- 3.5 Proceedings of meetings of the Committee shall be governed by the provisions of Article 130 of the Articles of Association of the Company.

4. Written resolutions

- 4.1 Written resolutions may be passed by all Committee members in writing.

5. Duties, powers and functions

- 5.1 The duties of the Committee shall be:

- (a) 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;
- (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 in 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, and to make recommendations to the Board of the remuneration packages of individual executive directors and senior management. The Committee should consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group and desirability of performance-based remuneration;
- (d) To make recommendations to the Board on the remuneration of non-Executive directors. The Committee should consider salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group;
- (e) To review the criteria for assessing performance of executive directors, senior management and the general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;
- (f) To review and approve the performance-based remuneration for executive directors, senior management and the general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;

- (g) To review and approve the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (h) To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation is otherwise reasonable and appropriate;
- (i) To ensure no Director or any of his associates is involved in deciding his own remuneration;
- (j) To engage such external professional advisors to assist and/or advise the Committee on issues for the performance of its duties if necessary;
- (k) To do any things necessary to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (l) To comply with any requirement, direction and regulation that may from time to time prescribed by the Board or contained in the constitution of the Company or imposed by legislation or set out in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of the Hong Kong Limited (the “GEM Listing Rules”);
- (m) To review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules; and
- (n) To consider other topics and review other documents as may be reasonably requested by the Board from time to time.

6. Reporting Procedures

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

7. Publication of the terms of reference of the Committee

- 7.1. The Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the website of the Company and the Stock Exchange of Hong Kong Limited.

8. Powers of the Board

- 8.1 The Board may, subject to compliance with the Articles of Association of the Company and the GEM Listing Rules (including the parts of the Code on Corporate Governance Practices set out in the GEM Listing), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.