

LITU HOLDINGS LIMITED

力圖控股有限公司

(Incorporated in Cayman Islands with limited liability)

**TERMS OF REFERENCE OF
THE REMUNERATION COMMITTEE**

LITU HOLDINGS LIMITED

力圖控股有限公司

(the “Company”)

Terms of Reference of the Remuneration Committee

1. Constitution

1.1 The board of directors (“**Directors**”) of the Company (the “**Board**”) resolved to establish a remuneration committee (the “**Remuneration Committee**”) on 3 March 2009. This set of terms of reference for the Remuneration Committee was passed by a resolution of the Board on 30 March 2012 and amended on 30 December 2022.

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 who are independent non-executive Directors 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 in writing 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 to 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 the meeting papers and other documents which may be required to be considered by the members of the Remuneration Committee for the purposes of the meeting shall be sent in full to all members of the Remuneration Committee in a timely manner and at least seven days before the intended date of a Remuneration Committee meeting or such other period as agreed in writing by all members of the Remuneration Committee.

6. Quorum

6.1 The quorum necessary for the transaction of business 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 in any meeting of the Remuneration Committee, at least one member must be an independent non-executive Director.

6.3 Other Directors who are not members of the Remuneration Committee shall have the right to attend any meetings of the Remuneration Committee, however they shall not be counted in the quorum.

6.4 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.

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 respectively, in both cases 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 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 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;
- (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 Company and its subsidiaries from time to time;
- (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 ensure that no Director or any of his associates is involved in deciding his own remuneration;

- (j) to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong ("**Listing Rules**"), unless it is considered by the Board that it would be more desirable for an independent board committee formed for this purpose to advise the shareholders;
- (k) to consult the chairman of the Board and/or the chief executive of the Company about their proposals relating to the remuneration of other executive Directors;
- (l) to ensure proper disclosure of the Director's remuneration in the annual report of the Company in accordance with the accounting principles and the Listing Rules;
- (m) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (n) to address and deal with such other matters as may be delegated by the Board to the Remuneration Committee.

NOTE: "senior management" in this paragraph 10 should refer to the same category of persons as referred to in the Company's annual report.

"Chief Executive" in this paragraph 10 should refer to the definition set out in the Listing Rules and means "a person who either alone or together with one or more other persons is or will be responsible under the immediate authority of the board of directors for the conduct of the business of a the Company".

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 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 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, independent expert advice from 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 of these terms of reference 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 of this terms of reference and any resolution passed by the Remuneration Committee provided that no amendments to and revocation of the provisions of this 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.