



MODERN HEALTHCARE TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

Terms of Reference of the Remuneration Committee

(Latest version adopted on 31 March 2023)

Constitution

1. The Remuneration Committee is established as a committee of the board of directors of the Company (the “**Board**”).

Objectives

2. The Remuneration Committee shall review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and Senior Management by reference to paragraph 20 below.

Membership

3. The Remuneration Committee shall consist of at least three members. A majority of them are to be appointed by the Board from amongst its Independent Non-executive Directors.
4. The Chairperson of the Remuneration Committee shall be appointed by the Board from among its Independent Non-executive Directors.
5. Only members of the Remuneration Committee are entitled to vote at the meeting of the Remuneration Committee. Subject to the Company’s articles of association (as amended from time to time), questions arising at any meeting of the Remuneration Committee shall be decided by a majority of votes, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

Frequency of meetings

6. The Remuneration Committee shall meet at least once a year and when necessary or at such other times as its Chairperson shall require.

Proceedings of Meetings

7. Meetings of the Remuneration Committee shall be called by its Chairperson or at the request of the Board.

8. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be issued to each member of the Remuneration Committee and any other person required to attend no fewer than two working days prior to the meeting.
9. A quorum shall be 2/3 of the members of the Remuneration Committee.
10. Meetings of the Remuneration Committee could be held in person, by telephone or by video conference. Members of the Remuneration Committee may participate in a meeting by means of which all persons participating in the meeting are capable of hearing each other.
11. Without prejudice to any requirement under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), a resolution in writing signed by all the members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
12. The Chairperson of the Remuneration Committee shall preside as the Chairman of the meetings of the Remuneration Committee. In the absence of the Chairperson of the Remuneration Committee, the remaining members present shall elect one of them to chair the meeting.

Attendance at meetings

13. The Remuneration Committee may request any Director, any member of Senior Management or any other individual to attend its meetings.
14. The Company Secretary (or his nominee) shall be the secretary of the Remuneration Committee.
15. Full minutes of the meetings or, as the case may be, written resolutions, of the Remuneration Committee shall be kept by the secretary of the Remuneration Committee and they should be open for inspection at any reasonable time on reasonable notice by any Director. Minutes of meetings should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. The secretary of the Remuneration Committee shall prepare and circulate to all members of the Remuneration Committee the draft and final versions of such minutes or written resolutions, for their comments and records respectively within a reasonable time after the meetings.

Authority

16. The Remuneration Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it reasonably requires from any employee in order to perform its duties. All employees are directed to co-operate with any reasonable request made by the Remuneration Committee.

17. The Remuneration Committee is authorized by the Board, at the Company's expense, to appoint legal and/or other independent professional advisers with relevant experience and expertise (including remuneration consultants) to assist the Remuneration Committee, to secure the attendance of such professional advisers at its meetings if necessary and to obtain reliable and up-to-date information about remuneration in other companies. The Remuneration Committee shall have full authority to commission any reports or surveys which it considers necessary to help it fulfil its obligations.
18. The Remuneration Committee shall have separate and independent access to Senior Management and is authorized to require management to provide it with such resources as may be necessary for it to perform its duties.
19. The Remuneration Committee shall consult the Chairperson of the Group about their remuneration proposals, for other Executive Directors.

Duties

20. The Remuneration Committee shall have the following specific duties:
 - (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. 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 Group;
 - (f) 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 relevant contractual terms and is otherwise fair and not excessive;
 - (g) 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;
 - (h) to ensure that no Directors or any of their associates are involved in deciding that director's own remuneration.

21. The Remuneration Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).
22. In determining the framework or Board policy for the remuneration of the Directors and Senior Management, the Remuneration Committee shall take into account relevant provisions of the Listing Rules and other factors that it deems necessary. The objective of such policy is to ensure that employees of the Company and members of Senior Management in particular, are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.
23. The Remuneration Committee shall determine, prior to the beginning of each financial year, the details of any performance-related remuneration whether on a Company-wide basis or for Senior Management. Following each financial year the Remuneration Committee shall review the performance against these targets.
24. The chairman of the Remuneration Committee or in his/her absence, another member of the Remuneration Committee or failing this, his/her duly appointed delegate, shall attend the Annual General Meeting of the Company (the “**Annual General Meeting**”) and be prepared to respond to questions at the Annual General Meeting on the Remuneration Committee’s work and responsibilities.

Availability and update of the terms of reference

25. The Remuneration Committee shall review on a regular basis its terms of reference, performance and constitution and recommend any changes it considers necessary to the Board for approval. The Remuneration Committee shall make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the Company’s website and the website of Hong Kong Exchanges and Clearing Limited.