

HYBRID KINETIC GROUP LIMITED

正道集團有限公司

(Incorporated in the Bermuda with limited liability)

(the “**Company**”)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE OF THE BOARD OF DIRECTORS

Membership

1. Members of the Remuneration Committee (the “**Members**”) shall be appointed by the board of directors (the “**Board**”) of the Company.
2. The chairman of the Remuneration Committee (the “**Committee Chairman**”) shall be appointed by the Board and should be an independent non-executive Director.
3. The Remuneration Committee shall consist of not less than three members. The majority of the Members shall be independent non-executive directors of the Company.
4. The secretary of the Remuneration Committee shall be the Company Secretary or such other person with appropriate qualification and experience as the Remuneration Committee may from time to time appoint.

Meetings and Quorum

1. The Remuneration Committee shall hold at least one regular meeting in a year. Additional meetings of the Remuneration Committee may be held as and when required.
2. The quorum for meetings shall be two members of the Remuneration Committee, one of them must be an independent non-executive director.

3. Meetings may be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.
4. A resolution in writing signed by all the Remuneration Committee members shall be as valid and effective as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
5. Full minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for directors' inspection.

Authority

1. The Remuneration Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors.
2. The Remuneration Committee should be provided with sufficient resources to perform its duties.
3. The Remuneration Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any requests of the Remuneration Committee.
4. Where necessary, the Remuneration Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

Duties and Responsibilities

1. 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;

2. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
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;
4. to make recommendations to the Board on the remuneration of non-executive directors;
5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
6. to ensure that no director or any of his associates is involved in deciding his own remuneration;
7. 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;
8. to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate;
9. to report to the Board when appropriate;
10. to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The English text of these terms of reference will prevail over the Chinese text in case of any inconsistency.