Suzhou Denglin Technology Co., Ltd.
蘇州登臨科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9917)

(hereafter, the "**Company**")

Remuneration and Appraisal Committee — Terms of Reference

1. Members

1.1 The remuneration and appraisal committee of the Company (the "**Remuneration and Appraisal Committee**") must be established by the board of directors of the Company (the "**Board**") and it must comprise a minimum of three members and a majority of independent non-executive directors. Members of the Remuneration and Appraisal Committee shall be nominated either by the chairperson of the Board, the majority of the independent non-executive directors or over one-third of the directors, and elected by the Board.

1.2 The Remuneration and Appraisal Committee must be chaired by an independent non-executive director within the Remuneration and Appraisal Committee and appointed by the Board.

1.3 The terms of appointment of the Remuneration and Appraisal Committee members should be determined by the Board at the appointment date and shall not exceed the member's tenure as a director.

2. Secretary(ies) of the Remuneration and Appraisal Committee

2.1 The company secretary(ies) of the Company shall act as the secretary(ies) of the Remuneration and Appraisal Committee.

2.2 The Remuneration and Appraisal Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary(ies) of the Remuneration and Appraisal Committee.

3. Meetings

3.1 The Remuneration and Appraisal Committee should meet at least once a year. Any member or the secretary(ies) of the Remuneration and Appraisal Committee can call for a meeting.

3.2 Notice of at least 3 days prior to the meeting should be given for any meeting, unless such notification is waived by all members of the Remuneration and Appraisal Committee. Notwithstanding the notification period, the attendance of the members of the Remuneration and Appraisal Committee at the meeting would be deemed as the waiver by such members of the required notification requirement.

3.3 The quorum necessary for the transaction of business of the Remuneration and Appraisal Committee shall be at least two-thirds of the members of the Remuneration and Appraisal Committee.

3.4 Meetings can be attended in person or via electronic means including telephone or videoconferencing. The members of the Remuneration and Appraisal Committee can attend the meetings via telephone or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).

3.5 Resolutions of the Remuneration and Appraisal Committee shall be passed, in the case of a meeting, by more than half of all the members of the Remuneration and Appraisal Committee.

3.6 A resolution passed and signed by all members of the Remuneration and Appraisal Committee is valid, and the validity is the same as any resolution passed in the meeting held.

3.7 Full minutes of Remuneration and Appraisal Committee meeting should be kept by a duly appointed secretary(ies) of the Remuneration and Appraisal Committee and be available for review by the directors. Draft and final versions of minutes of the meeting should be sent to all members of the Remuneration and Appraisal Committee for their comment and records, within a reasonable time after the meeting.

4. Meeting attendance

4.1 Upon the invitation from the Remuneration and Appraisal Committee, the chairperson of the Board and/or the general manager or the chief executive officer, the chief financial officer (or equivalent), other senior staff members responsible for the human resources function, external advisor and other persons can be invited to attend all or part of any meeting.

4.2 Only the members of the Remuneration and Appraisal Committee can vote in a meeting of the Remuneration and Appraisal Committee.

5. Annual General Meetings

5.1 The chairperson of the Remuneration and Appraisal Committee or (if absent) the other member of Remuneration and Appraisal Committee (who must be an independent non-executive director) should attend the annual general meetings of the Company, and handle the shareholders' enquiry on the activities and responsibilities related to the Remuneration and Appraisal Committee at such meetings.

6. Duties and Powers

The Remuneration and Appraisal Committee shall have the following duties and powers:

6.1 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 policies concerning such remuneration;

6.2 to review and approve the management's performance-based remuneration proposals with reference to the Board's corporate goals and objectives resolved by the Directors from time-to-time;

6.3 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;

6.4 to make recommendations to the Board on the remuneration of non-executive directors;

6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

6.6 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;

6.7 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;

6.8 to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration; and

6.9 to review and 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.

7. Reporting

7.1 The Remuneration and Appraisal Committee shall report to the Board after each of its meetings.

8. Authority

8.1 The Remuneration and Appraisal Committee should consult the chairperson of the Board and/or the chief executive officer about their remuneration proposals for other executive directors.

8.2 The Remuneration and Appraisal Committee is authorized by the Board to request the senior management of the Company to provide any required resources or information related to the remuneration package to perform its duties.

8.3 The Remuneration and Appraisal Committee should have access to independent professional advice at the Company's expense if necessary, to perform the responsibilities of the Remuneration and Appraisal Committee.

Note: The independent professional advice can be sought via the chief financial officer or the company secretary of the Company.

8.4 The Remuneration and Appraisal Committee should be provided with sufficient resources to perform its duties.