

Tech Pro Technology Development Limited

德普科技發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(the “Company”)

REMUNERATION COMMITTEE

Terms of Reference

1. Organization

The board of directors of the Company (the “Board”) hereby resolved to establish the remuneration committee (the Committee”) under the Board.

2. Objectives

The primary operating objectives of the Committee are to give recommendation to the Board on the remuneration policies and structure of all the directors and the members of the senior management of the Company, and to review and determine the terms of remuneration packages payable to all the executive directors and the members of the senior management. The Committee is accountable to the Board.

3. Composition

3.1 The Committee comprises three directors of the Company (the “Directors”) who shall be appointed and removed by the Board and during the terms of the appointment, the office of the Committee member (the “Member”) shall be vacated automatically if such Member ceases to be a Director and the Board shall appoint a new Member to fill the casual vacancy;

3.2 The majority of Members shall be independent non-executive Directors;

3.3 The Board shall formally appoint a chairman for the Committee.

4. Secretary

The secretary of the Board shall hold the position of the secretary of the Committee concurrently.

5. Powers and Duties

- 5.1 Whenever relevant, the Committee shall have the right to access the information maintained by the management or employees of the Company for the performance of its duties;
- 5.2 The Committee shall consult the chairman of the Board and, whenever necessary, seek external independent professional advice or invite external parties with relevant experience or expertise to attend its meeting with regard to other proposed remuneration packages of executive Directors, at the expenses of the Company;
- 5.3 The Committee shall give recommendation to the Board in respect of the remuneration policies and structure of all the Directors and members of the senior management, and the establishment of proper and transparent procedures on the determination of the remuneration packages;
- 5.4 The Committee shall, with the delegation from the Board, determine the specific remuneration packages for all the executive Directors and the members of senior management, including benefits in kind, entitlement to pension and amount of compensation (including compensation for the loss of office or cessation of appointment), and to give advice to the Board on the remuneration of the non-executive Directors. Factors taken into consideration of the Committee shall include: remuneration paid by similar companies, time contributed and duties assumed by the Directors, employment terms of other positions in the Company, and whether the remuneration should be determined based on the performance;
- 5.5 The Committee shall evaluate the performance of a Director during his term of office and review and approve performance-based remuneration on the basis of the objectives of the Company adopted by the Board from time to time;
- 5.6 The Committee shall review and approve the compensation for the loss of office or cessation of appointment payable to any executive Directors and member of the senior management for ensuring that such compensation is determined in accordance with the terms of the relevant contracts, or, if it cannot be determined in accordance with the terms of the relevant contracts, is fair and reasonable and will not impose any onerous burden on the Company;

- 5.7 The Committee shall review and approve the compensation arrangement with respect to the dismissals or removals of Directors on the ground of misconducts for ensuring that such arrangement is determined in accordance with the terms of the relevant contracts, or, if it cannot be determined in accordance with the terms of the relevant contracts, is reasonable and appropriate; and
- 5.8 The Committee shall ensure that no Directors or any of his associates is allowed to determine his respective remuneration.

6. Meeting of the Committee

6.1 Frequency

The Committee shall meet at least once every year that can be attended in person, by teleconference or video conference and, whenever necessary, additional meetings can be convened.

6.2 Notice of Meetings

The secretary of the Committee shall give 7 days' notice in writing to the Members before the date of the meeting, unless as agreed by all of the Members unanimously that no notice shall be served.

6.3 Quorum

Meeting is null and void unless it is attended by more than half (not inclusive of a half) of the Members.

6.4 Format of Meetings

Meetings can be held either by the presence of Member in person or through teleconference or video conference. Members can attend meetings through telephone or other similar means that allow attendees to listen and communicate and member attended by such means shall be deemed to be present at the meeting. Subject to the agreement of all the Members, resolution can also be passed in writing.

6.5 Resolutions

Resolution of the Committee is null and void unless it is approved by a majority, i.e.

more than half (not inclusive of a half), of the Members who attend the meeting.

6.6 Invitation to Attend Meetings

The Committee can invite executive Directors, external advisers and other parties to attend its meetings but such invitee shall have no voting right in the meeting.

6.7 Minutes of Meetings

The secretary of the Committee shall maintain complete minutes of all Committee meetings and shall record in sufficient details with respect to the matters considered by the Members and decisions made in the meetings, including doubts and objections proposed by the Members. Upon the conclusion of each Committee meeting, the secretary of the Committee shall deliver the draft and final versions of the minute to all the Members within reasonable time. The draft is prepared for the Members for comment while the final version shall be kept by the Members for record. The secretary of the Committee shall submit the finalized version of the minute to the Board for filing.

7. General Meetings

The chairman of the Committee or other Member delegated by him shall attend the Annual General Meetings to address enquiries of the shareholders with respect to the remuneration policies of the Company and the activities and duties of the Committee. Members attending any Committee meeting are obliged to maintain confidentiality in respect of the matters discussed in the meeting and shall not disclose any such information to any external parties, unless authorized by the Board.

8. Duty of Reporting

The chairman of the Committee or other Member delegated by him to chair any Committee meeting shall report to the Board upon the conclusion of each Committee meeting.

9. Right of Interpretation

The Board shall have the right of interpretation to these terms of reference.