

**BRAINHOLE**  
TECHNOLOGY  
**BRAINHOLE TECHNOLOGY LIMITED**  
**脑洞科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2203)**

## **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

### **PURPOSE**

1. The purpose of the remuneration committee (the “**Remuneration Committee**”) is to assist the board of directors (the “**Board**”) of Brainhole Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in determining the policy and structure for the remuneration of executive directors, evaluating the performance of executive directors, reviewing incentive schemes and directors’ service contracts and fixing the remuneration packages for all directors and senior management.

### **COMPOSITION**

2. The Remuneration Committee shall be appointed by the Board from time to time and a majority of which shall be independent non-executive directors who shall meet and maintain the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board shall appoint one member of the Remuneration Committee who is an independent non-executive director as the chairman (the “**Chairman**”).

### **MEETINGS**

3. Unless otherwise specified hereunder, the provisions contained in the Company’s articles of association (the “**Articles**”) (as amended from time to time) for regulating meetings and proceedings of directors shall apply to the meetings and proceedings of the Remuneration Committee.
4. Members of the Remuneration Committee may attend meetings of the Remuneration Committee either in person or through other electronic means of communication or in such other manner as the members may agree.
5. Members of the Remuneration Committee may be represented at a meeting of the Remuneration Committee by an alternate appointed by them.

6. A quorum shall be two members of the Remuneration Committee.
7. Each member shall have one vote. Subject to the Articles, 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 Chairman shall have a second or casting vote.
8. Without prejudice to any requirement under the Listing Rules, a resolution in writing signed by all the members of the Remuneration Committee (or their respective alternate) shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
9. The Remuneration Committee shall meet at least once annually, or more frequently if circumstances require.
10. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Remuneration Committee. The Chairman shall be responsible for leading the Remuneration Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

## **ACCESS**

11. The Remuneration Committee shall have full access to management and may invite members of management or others to attend its meetings. The Remuneration Committee will consult the chairman and/or chief executive officer of the Company about their remuneration proposals for other executive directors.

## **REPORTING PROCEDURES**

12. The Remuneration Committee shall regularly evaluate and assess the effectiveness of the Remuneration Committee and the adequacy of these Remuneration Committee terms of reference on an annual basis and recommend any proposed changes to the Board.
13. Minutes of meetings of the Remuneration Committee and the record of individual attendance at such meetings shall be prepared by the secretary of the Company which shall be sent to all members of the Board as soon as practicable after the conclusion of any meeting of the Remuneration Committee.

## **AUTHORITY**

14. The Remuneration Committee is authorised by the Board to determine (subject to approval by the Board) the remuneration payable to executive directors and members of senior management, the emolument policies and the basis for determining such emoluments. It shall ensure that no director or any of his/her associates should be involved in deciding his/her own remuneration. The Board shall provide the Remuneration Committee with sufficient resources to perform its duties.
15. The Remuneration Committee is authorised by the Board to obtain independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.

## **DUTIES**

16. The Remuneration Committee shall perform the following 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 such remuneration policy;
  - (b) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. Remuneration packages include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
  - (c) to make recommendations to the Board on the remuneration of non-executive directors;
  - (d) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
  - (e) to ensure that the remuneration levels should be sufficient to attract and retain directors to run the Company successfully without paying more than necessary;
  - (f) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (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/her associates is involved in deciding his/her own remuneration;
- (j) to advise shareholders of the Company with respect to any service contracts of directors of the Group that require shareholders' approval under the Listing Rules;
- (k) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (l) to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

Adopted by the Board on 31 March 2023.