

WONG'S KONG KING INTERNATIONAL (HOLDINGS) LIMITED
(the "Company")
(Incorporated in Bermuda with limited liability)
(Stock Code: 532)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. CONSTITUTION

1.1 The board of directors of the Company (the "Board") has resolved to establish a Committee of the Board to be known as the Remuneration Committee (the "Committee").

2. MEMBERSHIP

2.1 The Committee shall be appointed by the Board and can be removed by the Board at its sole discretion.

2.2 The Committee shall comprise of a minimum of three members (the "Members"). The majority of the Members shall be independent non-executive Directors ("INED").

2.3 The Chairman of the Committee shall be appointed by the Board and must be an INED.

3. SECRETARY

3.1 The Company Secretary of the Company shall be the secretary of the Committee.

3.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

4. FREQUENCY AND PROCEEDINGS OF MEETINGS

4.1 The Committee shall meet at least once a year. Additional meetings may be held as and when the Committee shall see fit.

4.2 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

4.3 The quorum of the Committee shall be any two Members.

4.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

- 4.5 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.
- 4.6 A resolution in writing signed by all the Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 4.7 Unless otherwise specified above, the provisions contained in the Company's Bye-Laws (as amended from time to time) for regulating meetings and proceedings of Directors shall apply to the meetings and proceedings of the Committee.

5. ATTENDANCE AT MEETINGS

- 5.1 At the invitation of the Committee, the Chairman of the Board, external advisers and other persons may be invited to attend all or part of any meetings.
- 5.2 Only Members of the Committee are entitled to vote at the meetings.

6. ANNUAL GENERAL MEETING

- 6.1 The Chairman of the Committee or in his/her absence, another Member of the Committee, shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Committee's activities and their responsibilities.

7. AUTHORITY

- 7.1 The Committee is authorized by the Board to perform the duties within these terms of reference. It is authorised to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.
- 7.2 The Committee is authorised by the Board to consult the Chairman of the Board and/or chief executive about their remuneration proposals for other executive Directors.
- 7.3 The Committee is authorised by the Board where necessary to have access to independent professional advice.

Note: Arrangement to seek independent professional advice could be made through the Company Secretary.

- 7.4 The Committee shall be provided with sufficient resources to perform its duties.

8. DUTIES

The duties of the Committee shall be: –

- 8.1 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;
- 8.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 8.3 either (a) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (b) 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;

- 8.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 8.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 8.6 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;
- 8.7 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; and
- 8.8 to ensure that no Director or any of his associates is involved in deciding his own remuneration.

9. REPORTING PROCEDURES

- 9.1 Full Minutes shall be kept by the secretary of the Committee. Draft and final versions of minutes shall be circulated to all Committee 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.
- 9.2 Without prejudice to the generality of the duties of the Committee set out in these terms of reference, the Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

10. PUBLICATION OF THE TERMS OF REFERENCE

10.1 The terms of reference will be posted on both the websites of the Company and The Stock Exchange of Hong Kong Limited.

Note: "Senior Management" should refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under paragraph 12 of Appendix 16 of the Listing Rules.

Note: If there is any inconsistency between the English and Chinese versions of these Terms of Reference, the English version shall prevail.