

Casablanca Group Limited

(the "**Company**")

Remuneration Committee Terms of Reference

1. CONSTITUTION

The board of directors of the Company (the "**Board**") established a remuneration committee (the "**Remuneration Committee**") pursuant to a resolution passed by the Board at its meeting held on 22 October 2012. The Remuneration Committee is constituted with the authority, responsibility, and specific duties as described below.

2. MEMBERSHIP

2.1 The Remuneration Committee shall be appointed by the Board comprising a majority of independent non-executive directors.

2.2 The members of the Remuneration Committee (the "**Members**") shall appoint its chairman who must be an independent non-executive director. The Remuneration Committee shall consist of three (3) Members. A quorum shall be two (2) Members, one of whom must be an independent non-executive director.

2.3 Each Member shall disclose to the Remuneration Committee:

(a) any personal financial interest (other than as a Shareholder) in any matter to be decided by the Remuneration Committee; or

(b) any potential conflict of interest arising from a cross-directorship;

Any such Member shall abstain from voting on resolutions of the Remuneration Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Remuneration Committee.

3. AUTHORITY

The Remuneration Committee is authorised by the Board to investigate any activity identified within its terms of reference. It is authorised to seek any information it requires from any employee of the Company, and all employees of the Company are directed to co-operate with any request made by the Remuneration Committee. The Remuneration Committee is authorised by the Board to consult the chairman and/or the chief executive officer of the Company about their remuneration proposals for other

executive directors. The Remuneration Committee should have access to independent professional advice if necessary. The Remuneration Committee shall be provided with sufficient resources to perform its duties.

4. DUTIES

4.1 The duties of the Remuneration Committee shall be:

- (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 remuneration policy;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) either (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management and the terms of their service contracts; or (ii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive directors ;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) to review and/or approve matters relating to share schemes of the Company under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**");
- (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 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 prepare a remuneration report for the Shareholders or to advise the Board in relation to the preparation of the Board's remuneration report to the Shareholders; and
 - (k) to keep the Board fully informed of its actions.
- 4.2 For the purpose of this term of reference, "senior management" should refer to the same persons as referred to in the Company's annual report and is required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules.
- 4.3 In carrying out its duties under this terms of reference, the Remuneration Committee should:
- (a) provide the packages needed to attract, retain and motivate directors of the quality required to run the Company successfully, without paying more than necessary;
 - (b) be sensitive to the wider scene, including pay and employment conditions elsewhere, especially when determining annual salary increases;
 - (c) ensure that a significant proportion of the executive directors' remuneration links rewards to corporate and individual performance; and
 - (d) ensure that equity-based remuneration (e.g. share options or grants) (if any) are offered in accordance with the Listing Rules (as amended from time to time), and generally such equity-based remuneration with performance-related elements should not be granted to independent non-executive directors of the Company unless the Members considered that the remuneration package will not lead to bias in decision-making and compromise the objectivity and independence of the relevant independent non-executive director.
- 4.4 If 4.1(c)(ii) is adopted, where the Board resolves to approve any remuneration or compensation arrangements with which the Remuneration Committee disagrees, the Board shall disclose the reasons for its resolution in its next Corporate Governance Report.

5. FREQUENCY OF MEETINGS

Meetings shall be held as and when appropriate, but as least annually.

6. ATTENDANCE

- 6.1 As necessary or desirable, the chairman of the Remuneration Committee may request that members of management be present at the meeting.
- 6.2 Meetings may be attended in person or by way of electronic means of communications.

7. SECRETARY

The company secretary of the Company (the "Company Secretary") or his/her delegates shall be the secretary of the Remuneration Committee.

8. MINUTES AND WRITTEN RESOLUTIONS

- 8.1 Minutes of the Remuneration Committee meetings shall be kept by the Company Secretary and draft and final versions of minutes of the meetings shall be sent to all Members for their comments and records respectively in both cases within a reasonable time after the meeting.
- 8.2 A resolution in writing signed by all Members shall be valid and effectual as if it had been passed at a meeting of the Remuneration Committee. Any such resolution may be contained in a single document or may consist of several documents in like form each signed by one or more of the Members and the resolution may be signed and circulated by fax, email or other electronic communications.
- 8.3 The Company Secretary shall circulate the minutes of the meetings or the signed written resolutions of the Remuneration Committee to all members of the Board.

9. GENERAL

The Remuneration Committee should make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Stock Exchange's websites and the Company's website.

(Revised on 24 March 2023)