

**TERMS OF REFERENCE
OF REMUNERATION COMMITTEE
FOR STELUX HOLDINGS
INTERNATIONAL LIMITED (“the Company”)**

The terms of reference of the Remuneration Committee are:-

- (a) to make recommendations to its board on the Company’s policy and structure for all remuneration of directors and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive directors, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the board of the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the board from time to time;
- (d) to review and approve the compensation payable to executive directors in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and

- (f) to ensure that no director or any of his associates is involved in deciding his own remuneration.

Note: The Remuneration Committee shall advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under rule 13.68.