

MIDAS HOLDINGS LIMITED

TERMS OF REFERENCE – REMUNERATION COMMITTEE

(Revised pursuant to the Board resolution passed on 22 March 2013)

1.0 ESTABLISHMENT

- 1.1 The Remuneration Committee (the “Committee”) is established by the board of directors (the “Board”) of Midas Holdings Limited (the “Company”).
- 1.2 Subject to the regulations contained in the Code of Corporate Governance issued by the Corporate Governance Committee (the “Singapore Code of Corporate Governance”) and applicable rules and regulations of exchanges (other than SGX) on which the Company is listed on, the procedures of the Committee shall be regulated by the provisions of this Terms of Reference.

2.0 COMPOSITION

- 2.1 The Committee shall have a minimum of three members (the “Members”), who shall be appointed by the Board out of their own number, provided that a majority of the Members shall be non-executive directors and the majority of whom independent directors. The definition of independent would be guided by paragraph 2.1 in the Singapore Code of Corporate Governance and applicable rules and regulations of exchanges (other than SGX) on which the Company is listed on
- 2.2 The Committee shall appoint one of its Members who is an independent director to be the Chairman. In the absence of the Committee Chairman, the remaining Members present shall elect one of their numbers to chair the meeting.
- 2.3 A Member who wishes to retire or resign from the Committee should provide sufficient notice to the Company so that a replacement may be appointed before he leaves.
- 2.4 In the event of a vacancy, the Company shall endeavour to fill the vacancy as soon as possible.

3.0 SECRETARY

- 3.1 The Company Secretary of the Company or his nominee shall act as the Secretary of the Committee.

4.0 QUORUM

- 4.1 The quorum necessary for the transaction of business shall be two of whom at least one must be an independent director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested or exercisable by the Committee.

5.0 FREQUENCY OF MEETINGS

5.1 The Committee shall meet not less than once a year and at such other times as the Chairman of the Committee shall require.

6.0 NOTICE OF MEETINGS

6.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman of the Committee or by any Members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee no fewer than three working days prior to the date of the meeting.

7.0 MINUTES OF MEETINGS

7.1 The Secretary or any one nominated to represent the Secretary at the meeting shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

7.2 Minutes of Committee meetings shall be circulated to all Members and made available on the request to the other members of the Board.

8.0 ANNUAL GENERAL MEETING (“AGM”)

8.1 The Chairman of the Committee shall attend the AGM prepared to respond to any shareholder questions on the Committee’s activities.

9.0 FUNCTIONS, DUTIES AND POWERS

9.1 The Committee shall:

9.1.1 review and recommend to the Board the framework or broad policy for the remuneration of the Company’s Board and key management personnel, and to review and recommend specific remuneration packages for each executive director and the Chief Executive Officer (the “CEO”) and such other persons having authority and responsibility for planning, directing and controlling the activities of the Company;

9.1.2 in considering such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that the Directors and key management personnel of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;

- 9.1.3 make recommendations on the targets for any performance related pay schemes operated by the Company, taking into account time commitment, responsibilities, pay and employment conditions within the industry and in comparable companies;
- 9.1.4 within the terms of the agreed policy, determine the total individual remuneration package of each key management personnel including, where appropriate, allowances, bonuses, benefits in kind, incentive payments and share options;
- 9.1.5 make recommendations to the Board the policy for and scope of service agreements for the executive management team, termination payments and compensation commitments, including fixing appointment period for the directors;
- 9.1.6 make recommendations to the Board the fee of non-executive directors, taking into factors such as efforts, time spent and the responsibilities;
- 9.1.7 administer the Midas Employee Share Option Scheme and/or other incentive share scheme(s) to be adopted by the Company from time to time, if any;
- 9.1.8 approve the reimbursement of any claims for expenses from the Chief Executive / Managing Director and Chairman of the Company;
- 9.1.9 to review and recommend compensation arrangements relating to dismissal or removal of executive directors and key manangement personnel for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- 9.1.10 to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- 9.1.11 consult the chairman and/or CEO about remuneration proposals for other executive directors, if any.

10.0 AUTHORITY

- 10.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 10.2 In connection with its duties the Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional independent advice including the advice of independent remuneration consultants, to secure the attendance of external advisers at its meetings if it considers this necessary, and to obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

11.0 RESOLUTIONS IN WRITING AND MEETINGS BY CONFERENCE CALLS

- 11.1 A resolution in writing signed or approved by letter, telex or facsimile by a majority of Members (of whom at least one must be an independent director) shall be effective for all purposes as if it were a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may consist of a single document or several documents all in like form each signed by one or more Members.

- 11.2 The Committee may conduct its meeting by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means without a Member being in the physical presence of another Member or Members and participation in a meeting in such manner shall be deemed to constitute presence in person at such meeting. Minutes of such a meeting signed by all participants of the meeting shall be conclusive evidence of any resolution of any meeting conducted in such manner.

The Chinese translation thereof is for reference only and the English version shall always prevail in case of discrepancies or inconsistencies.