

Laekna, Inc.
來凱醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2105)

**Terms of Reference for the
Remuneration Committee of Laekna, Inc.
(the “Company”)**

Definitions

1. For the purposes of these terms of reference (the “**Terms**”):

Board means the board of directors of the Company.

Company Secretary means any one of the joint company secretaries of the Company.

Directors means the members of the Board.

Group means the Company and its subsidiaries.

Listing Rules means the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time).

Remuneration Committee means the remuneration committee established by the resolution of the Board on May 31, 2022 (effective from the date of listing of the shares of the Company on the Stock Exchange).

Senior Management means the senior management of the Group.

Shareholders means the shareholders of the Company.

2. The word “remuneration”, as used in these Terms, includes without limitation any salaries, bonuses, allowances, benefits (in cash or in kind), pension arrangements, reimbursements, compensation payments (including any compensation payable for loss or termination of office or appointment), incentive payments, share awards and share options.

Membership

3. The members of the Remuneration Committee shall be appointed by the Board from time to time from among the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. The quorum of a Remuneration Committee meeting shall be any two members of the Remuneration Committee and one of whom must be an independent non-executive Director.
4. The chairperson of the Remuneration Committee shall be an independent non-executive Director and shall be appointed by the Board.
5. Each member of the Remuneration Committee shall disclose to the Remuneration Committee:
 - (a) any personal financial interest (other than as a Shareholder of the Company) 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 shall (if so required by the Board) resign from the Remuneration Committee.

Frequency and conduct of meetings

6. Unless otherwise stated herein, the meetings are governed by the provisions contained in the Company's Articles of Association for regulating the meeting and proceedings of Directors.
8. Meetings shall be held at least once a year. The chairperson of the Remuneration Committee shall convene a meeting upon request by any member of the Remuneration Committee.
9. An agenda and accompanying board papers should be sent in full to all Directors in a timely manner and at least 3 days before the intended date of a meeting of the Remuneration Committee (or other agreed period).

Annual General Meetings

10. The chairperson of the Remuneration Committee shall attend the Company's annual general meetings and be prepared to respond to any Shareholder's questions on the Remuneration Committee's activities.
11. If the chairperson of the Committee is unable to attend an Annual General Meeting of the Company, he/she shall arrange for another member of the Committee, or failing this, his/her duly appointed delegate, to attend in his/her place. Such person shall be prepared to respond to any shareholder questions on the Committee's activities.

Authority

12. The Remuneration Committee is authorised by the Board to discharge its duties within these Terms. It is authorised to seek any remuneration information it requires from the Directors and/or Senior Management who are directed to co-operate with the Remuneration Committee.
13. The Remuneration Committee should be provided with sufficient resources to perform its duties. The Remuneration Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, at the company's expense, if it considers this necessary. The Remuneration Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external remuneration consultant who advises the Remuneration Committee.

Duties

14. The duties of the Remuneration Committee shall include:
 - (a) making 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) reviewing and approve management's remuneration proposals with reference to the Board's goals and objectives;

- (c) being responsible for either:
 - (i) determining with delegated responsibility, the remuneration packages of individual executive Directors and Senior Management; or
 - (ii) making 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) making recommendations to the Board on the remuneration of non-executive Directors;
 - (e) considering salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
 - (f) reviewing and approving the compensation payable to executive Directors and Senior Management for any loss or termination of office or appointment in order to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;
 - (g) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct in order to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate;
 - (h) ensuring that no Director or any of his associates is involved in deciding his own remuneration;
 - (i) reviewing the Group's policy on expense reimbursements for the Directors and Senior Management; and
 - (j) reviewing and/or approving matters relating to share schemes of the Company under Chapter 17 of the Listing Rules.
15. In carrying out its duties under these terms of reference, the Remuneration Committee should:
- (a) consult the chairman of the Board and/or the chief executive about their remuneration proposals for other executive Directors and have access to independent professional advice if necessary;
 - (b) provide the packages needed to attract, retain and motivate executive Directors of the quality required, but avoid paying more than is necessary for this purpose;
 - (c) judge where to position the Group relative to other companies. They should be aware what comparable companies are paying and should take account of relative performance;
 - (d) be sensitive to the wider scene, including pay and employment conditions within the Group and elsewhere, especially when determining annual salary increases;

- (e) ensure that the performance-related elements of remuneration form a significant proportion of the total remuneration package of executive Directors and are designed to align their interests with those of Shareholders and to give the Directors incentives to perform at the highest levels; and
 - (f) ensure that share awards and share options offered by the Company to its Directors or Senior Management (if any) are in accordance with the Listing Rules (including but not limited to Chapter 17 of the Listing Rules), as applicable.
16. Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:
- (a) operate the Company's share scheme or other incentives schemes as they apply to, and recommend to the general meeting of shareholders grants of share awards and options to be made to Directors and/or Senior Management. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
 - (b) liaise with the trustee of any share scheme or other incentive schemes which is created by the Company for the benefit of employees, Senior Management or Directors;
 - (c) review the terms of executive Directors' service contracts from time to time; and
 - (d) advise the Board in relation to the preparation of the Board's remuneration report (if any) to shareholders.

Reporting procedures

17. Full minutes of the Remuneration Committee's meetings shall be kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary or his appointed delegate), and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.
18. Without prejudice to the generality of the duties of the Remuneration Committee set out in these Terms, the Remuneration 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 it to do so.

Provision of terms of reference

19. The Remuneration Committee shall make available these Terms on request and by inclusion on the Hong Kong Stock Exchange's website and the Company's website, thereby explaining its role and the authority delegated to it by the Board.