

HYCOMM WIRELESS LIMITED (THE “COMPANY”)

Terms of reference for the Remuneration Committee

(adopted on 29 March 2012)

Definitions

For the purposes of these terms of reference (the *Terms*):

Board means the board of directors of the Company.

Company Secretary means the company secretary of the Company.

Directors means the members of the Board.

Group means the Company and its subsidiaries and associated companies at the relevant time or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries and associated companies, the present subsidiaries and associated companies of the Company or the businesses operated by its present subsidiaries and associated companies or (as the case may be) its predecessor.

Listing Rules or *Rules* means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

Remuneration Committee means the remuneration committee established by the resolution of the Board in accordance with these Terms.

Senior Management includes the directors, chairman, chief executive, president, vice president and any other officer of the Group determined by the Board from time to time as senior management of the Company.

Shareholders means the shareholders of the Company.

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 and share options.

Constitution

The Board has resolved to establish a committee of the Board to be known as the Remuneration Committee.

Membership

The members of the Remuneration Committee shall be appointed by the Board from time to time comprising a majority of independent non-executive directors and chaired by an independent non-executive director. A quorum shall be three members.

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

Meetings shall be held at least once a year. The chairman of the Remuneration Committee shall convene a meeting.

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 such other period as agreed by its members).

Senior Management is obliged to supply the Remuneration Committee with adequate information in a timely manner, in order to enable it to make informed decisions. Where a member of the Remuneration Committee requires more information than is volunteered by Senior Management, the relevant member should make additional necessary enquiries.

Annual General Meetings

The chairman 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.

Authority

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.

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 if it considers this necessary. The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

Duties

The duties of the Remuneration Committee shall include:

- (a) to make recommendations to the Board on the issuer'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; or
 - ii. to make recommendations to the board on the remuneration packages of individual executive Directors and Senior Management.

This should, including include 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 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;
- (g) 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 is otherwise reasonable and appropriate; and
- (h) to ensure that no Director or any of his associates is involved in deciding his own remuneration.

Reporting procedures

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), and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.

Draft and final versions of minutes of such meetings should be sent to all members of the Remuneration Committee for their comment and records respectively, in both cases within a reasonable time after such meetings.

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 its ability to do so.

Terms available

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

(If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.)