Bowen Fintech Plc

(*to be renamed MOH Nippon Plc*)

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

1 DEFINITIONS

1.1 In this document, unless the context otherwise requires:

(a) the "**Board**" shall mean the board of directors of the Company;

(b) the "**Committee**" shall mean the remuneration committee of the Company;

(c) the "**Committee Chairman**" shall mean the chairman of the Committee;

(d) the "**Company**" shall mean Bowen Fintech Plc (to be renamed MOH Nippon Plc);

(e) the "**Group**" shall mean the Company and its subsidiaries; and

(f) the "**QCA Code**" shall mean the Quoted Companies Alliance Corporate Governance Code published by the Quoted Companies Alliance and as amended from time to time.

2 CONSTITUTION

2.1 The Committee was constituted by a resolution of the Board at a meeting held on 30 July 2024 in accordance with the articles of association of the Company.

3 MEMBERSHIP

3.1 The Committee shall at all times comprise a minimum of two non-executive directors of the Company, the majority of which shall be independent non-executive directors. The chairman of the Board may not chair the Committee. The chairman of the Board may, if he or she was considered independent on appointment as chairman, be an additional member of the Committee.

3.2 The Committee Chairman should be an independent non-executive director and should have normally served on the Committee for at least 12 months before appointment as Committee Chairman.

3.3 Appointments to the Committee shall be made by the Board, in consultation with the Committee Chairman, and shall be for a period of up to three years (subject to the relevant director remaining a member of the Board), which may be extended for up to two additional three-year periods, provided that the relevant director continues to meet the criteria for membership of the Committee.

3.4 In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect another independent non-executive director (other than the chairman of the Board) to chair the meeting.

3.5 Members of the Committee can be varied at any time by a majority resolution of the existing members of the Committee provided that any additional member is an independent non-executive director save for the appointment of the chairman of the Board as an additional member.

4 SECRETARY

4.1 The company secretary, or his or her nominee, shall act as the secretary of the Committee and will ensure that the Committee (and any other attendee as appropriate) receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4.2 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

5 ATTENDANCE AT MEETINGS

5.1 The quorum necessary for the transaction of business by the Committee shall be two members. No meeting may be convened unless all members of the Committee have received reasonable notice of the meeting.

5.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chairman of the Board, the chief executive, other executive and non-executive directors, senior management reporting to the executive directors or external advisers may be invited to attend all or part of any meeting, as and when appropriate. The Committee shall take care to recognise and manage conflicts of interest when receiving views from executive directors or senior management or consulting with the chief executive about its proposals.

5.3 No person may participate in any Committee discussion or decision with regards to his or her own remuneration.

6 MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS

6.1 A meeting of the members of the Committee may consist of a conference call between Committee members some or all of whom could be in different places provided that each Committee member participates in the business of the meeting, whether directly or indirectly by telephone or any other electronic means which enables him or her:

(a) to hear each of the other participating Committee members addressing the meeting; and

(b) if he or she so wishes, to address all other participating Committee members simultaneously.

6.2 A quorum is deemed to be present if Committee members meeting the minimum number required to form a quorum participate in the manner specified in paragraph 6.1 above in the business of the meeting.

6.3 A Committee meeting held in the manner specified in paragraph 6.1 above is deemed to take place at the place where the largest group of participating Committee members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

7 FREQUENCY AND NOTICE OF MEETINGS

7.1 The Committee shall meet at least twice a year and at such other times as required as agreed between the members of the Committee or as requested by the Committee Chairman.

7.2 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chairman or by any member of the Committee.

7.3 Unless otherwise agreed by all members of the Committee, 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, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting (or such shorter period of time as the members of the Committee may otherwise agree). Supporting papers shall be sent to Committee members and to other attendees, as appropriate at the same time.

7.4 Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

8 DECISIONS OF MEETINGS

8.1 Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.

8.2 If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

8.3 Decisions of the Committee will be made by majority vote. In the event of an equality of votes, save where he/she has a personal interest, the Committee Chairman will have a casting vote.

9 MINUTES OF MEETINGS

9.1 The secretary of the Committee shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.

9.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved by the Committee Chairman, minutes shall be circulated to all other members of the Board as a formal record of the decisions and recommendations of the Committee unless exceptionally it would be inappropriate to do so in the opinion of the Committee Chairman, for example in the event of a conflict of interest.

9.3 Final signed copies of the minutes of the meeting of the Committee should be maintained for the Company's records, in hard and soft copy where possible.

10 ANNUAL GENERAL MEETING

10.1 The Committee Chairman shall attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chairman should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

11 DUTIES

11.1 The Committee shall carry out the duties detailed below for the Company, major subsidiary undertakings and the Group as a whole, as appropriate.

11.2 The Committee shall:

(a) Formulate and recommend to the Board the remuneration policy for the chairman of the Board, executive directors, and senior management.

These decisions are taken with the benefit of relevant independent professional advice. Remuneration for executive directors is deemed to include all aspects of remuneration including, without limitation, salary, annual and long-term bonus, benefits from share and share option schemes, benefits in kind, pension entitlements, share ownership guidelines and any compensation payments.

(b) In determining the remuneration policy,

i. take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the QCA Code and associated guidance;

ii. have regard to the risk appetite of the Company and alignment to the Company's long-term strategic goals; and

iii. review and have regard to pay and employment conditions across the Company, especially when determining salary increases, and

when determining the remuneration policy of executive directors, consider simplicity, risk mitigation, predictability, proportionality, and alignment to culture.

The objective of the remuneration policy shall be to:

i. attract, retain and motivate employees of the quality required to run the Company successfully without paying more than is necessary, having regard to the views of shareholders and other stakeholders;

ii. support strategy and promote long-term sustainable success of the Company; and

iii. ensure that the performance-related elements of remuneration form a significant, yet appropriate proportion of the total remuneration package, and are transparent, stretching and rigorously applied.

The Board or sub-committee of the executive directors shall determine the remuneration of non-executive directors within the limits set out in the Company's articles of association.

(c) Recommend and monitor the level and structure of remuneration for the executive directors and senior management.

(d) Review workforce remuneration and related policies.

(e) Review the on-going appropriateness and relevance of the remuneration policy.

(f) Review the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve total annual payments made under such schemes. Such targets shall be determined with reference to the Company's long term strategic goals and incentives to executives to operate within their risk parameters, so

that the interests of the executive team could be aligned with the interests of long-term shareholders.

(g) Consider whether executive directors should be required to hold a minimum number of shares for a further period after vesting or exercise, including a period after leaving the Company.

(h) Determine the policy for, and scope of, pension arrangements for each executive director and senior managers and consider the pension consequences and associated costs to the Company of basic salary increases and other changes in remuneration.

(i) Ensure that contractual arrangements for termination and any payments made, are fair to both the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

(j) Within the terms of the remuneration policy and in consultation with the Committee Chairman, determine the total individual remuneration package of each executive director and the chairman of the Board. The Committee Chairman is responsible for determining the total individual remuneration package of each executive director which shall be submitted to the Committee for agreement.

(k) Review the company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters, and ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

(l) Design and invoke agreed safeguards, for example clawback, to protect against rewards for failure through appropriate risk management of incentive arrangements to ensure that any performance-related payments reflect actual achievements where possible.

(m) Review the design of all share incentive plans for approval by the Board and, where required, shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and senior management and, if relevant, the performance targets to be used. The Committee shall review dilution limits and headroom prior to granting any awards under the Company's various share schemes.

(n) Oversee any major changes in employee benefit structures throughout the Company.

(o) Agree with the policy for authorising claims for expenses from the executive directors and chairman of the Board. The policy for authorising claims for expenses from other non-executive directors shall be agreed by the Board.

(p) Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference of any external consultants who advise the Committee.

(q) Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help fulfilling its obligations, the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys, or information which it deems necessary at the expense of the Company, but within any budgetary restraints imposed by the Board.

(r) Monitor and review periodically the terms of any proposed letter of appointment or contract or termination arrangements relating to any executive director or the chairman of the Board.

(s) Work and liaise as necessary with all other Board committees.

(t) Consider any other matters related to the remuneration of directors which the Board may ask it to consider.

(u) Ensure, where relevant, that any payments made are permitted under the latest shareholder approved remuneration policy and, if not, that either a revised remuneration policy or the proposed payment is submitted for shareholder approval.

12 REPORTING RESPONSIBILITIES

12.1 The Committee Chairman shall report to the Board after each meeting on the nature and content of its discussion, recommendations, and action to be taken.

12.2 The Committee shall make recommendations to the Board where it deems appropriate on any areas within its remit where action or improvement is needed.

12.3 The Committee shall ensure that (i) provisions regarding disclosure of information on directors' remuneration as set out in the Large and Medium-sized Companies and Groups (Account and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018 and the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019) and the QCA Code are fulfilled in a directors' remuneration report (comprising an annual statement, annual report on remuneration and a remuneration policy report) within the Company's annual report; and (ii) the annual statement and annual report on remuneration is put to shareholders for approval at the annual general meeting at least every three years.

12.4 If the Committee has appointed remuneration consultants, the consultant should be identified and its fees should be disclosed in the Company's annual report, alongside a statement about any other connection it has with the Company or individual directors.

12.5 Through the chairman of the Board, the Committee should ensure that the Company maintains contact as required with its principal shareholders about remuneration.

12.6 The Committee will make available to shareholders these terms of reference by placing them on the Company's website.

13 OTHER MATTERS

13.1 The Committee shall:

(a) have access to sufficient resources in order to carry out its duties and responsibilities, including access to the Company secretary for assistance as required;

(b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;

(c) give due consideration to relevant laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed

companies and formation and operation of share schemes, including but not limited to the provisions of the QCA Code, the requirements of the UK Financial Conduct Authority's Listing Rules, the Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate;

(d) arrange for periodic reviews of its own performance; and

(e) at least annually, review its constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

14 AUTHORITY

14.1 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 in or exercisable by the Committee.

14.2 The Committee is authorised by the Board to carry out the duties set out in these terms of reference and is authorised to:

(a) seek any information it requires from any employee or director, and all such employees or directors will be directed to co-operate with any request made by the Committee; and

(b) obtain, at the Company's expense (within such limits as may be authorised by the Board from time to time), independent legal or other professional advice on any matter within its terms of reference as it considers necessary, including to approve such persons' fees (which will be paid by the Company) and retention terms, to oversee such persons' work and to terminate any such persons, provided that prior to any such appointment, retention and obtaining advice, the Committee must consider all factors relevant to the independence from management of such compensation consultants, legal counsel and other advisers, other than in-house legal counsel, including under applicable laws, rules and regulations.