

REMUNERATION COMMITTEE CHARTER OF GUORUI PROPERTIES LIMITED

1. General Provisions

1.1 Objective

In order to further establish and improve the remuneration and assessment management system for Directors and senior management, and to improve its corporate governance structure, the Company has set up a Remuneration Committee under the Board (the “Committee” unless otherwise indicated) and prepared this Charter in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Articles of Association and other pertinent regulations.

1.2 Status and Principle of the Committee

The Committee is a specialized working body set up by the Board pursuant to a resolution in a general meeting, which mainly responsible for determining and reviewing specific remuneration and performance of Directors and senior management of the Company, based on the remuneration and performance management policy and structure for Directors and senior management as formulated by the Board of Directors. The Committee members are appointed by over 50% affirmative votes of the Board. The Committee reports to the Board regularly.

The principle of the Committee is to fulfill its duties and obligations with lofty professionalism, reasonably safeguard the Company’s best interest and fairly protect the interests of all shareholders, especially the interests of minority shareholders, in accordance with the applicable regulatory requirements.

1.3 Structure and Qualifications of the Committee

The Committee shall comprise at least three members. The Board may change such number when it deems necessary, provided that the minimum requirement by the applicable regulatory rules is met. More than half of the Committee members shall be independent non-executive Directors and:

- a. shall have no material affiliations with the Company;
- b. shall be in compliance with the requirement of “independency” by the applicable regulatory rules.

The chairman of the Remuneration Committee (the “Chairman”), who shall be an independent non-executive Director, shall be nominated by the Board Chairman, or more than half of the independent Directors or one-third of the Directors and shall be appointed through election by the Board.

* Incorporated in the Cayman Islands under the name of “Glory Land Company Limited (国瑞置业有限公司)” and carrying on business in Hong Kong as “Guorui Properties Limited”.

1.4 Terms of the Committee Members

The term of office for a Committee member shall be concurrent with the term of his/her directorship. A Committee member may be re-elected for appointment upon conclusion of his/her term of office. Any Committee member, who ceases to be a Director or an independent non-executive Director of the Company, shall be automatically removed from the Committee, and the vacancy shall be filled pursuant to the applicable rules of the Company.

In the event that any Committee member tenders his/her resignation, or his/her removal has been agreed by more than half of the Directors, or ceases to act as an independent non-executive Director, the Board may terminate his/her term before the expiry date.

Any change in Committee members with simultaneous change in the Company Directors shall follow the procedures of change of Directors pursuant to the Articles of Association to obtain the shareholders' approval in a general meeting and a public announcement shall be made in accordance with the applicable regulatory rules.

1.5 Resignation of the Committee Members

Should any Committee member resign before the term expires, such member shall submit to the Company's Board through the Secretary of the Board a written resignation three months in advance, in which detailed explanations shall be given. Should any Committee member lose his/her position in the Committee due to his/her resignation from the position of an independent non-executive Director, the regular resignation procedures for the Committee members is not necessary. Upon his/her resignation from the position of an independent non-executive Director pursuant to the resignation procedures for an independent non-executive Director, his/her position as a Committee member shall be automatically removed.

1.6 Others

The Company's Secretary of the Board shall be the secretary of the Committee.

The "remuneration" in this Charter including but not limited to all salaries, bonuses, allowances, benefits (in cash or in kind), pension arrangements, reimbursements, compensations (including any compensation payable for loss or termination of office or appointment), options and share awards.

2. Operation and Procedures of the Committee

2.1 Committee Meetings

The Committee shall hold a meeting at least once a year and additional meetings shall be held as they are required by any Committee member.

A Committee meeting may not be held unless it is attended by more than half of its members. Meetings may be attended in person, by telephone or by video conference or by other telecommunications means.

The Committee may accept written resolutions in lieu of convening a Committee meeting.

2.2 Convening and Presiding Meetings

A Committee meeting shall be convened by Committee members themselves and the Secretary of the Committee can assist them to convene the meeting. The Secretary of the Committee may authorize the Office of the Board Chairman to assist in the specific arrangement of convening and preparation for such meeting.

The notice for a committee meeting shall be delivered to each member fourteen days prior to such meeting. The related agenda and documents for the meeting shall be delivered to each member three days prior to such meeting.

The Committee Chairman shall preside over its meetings. If the Chairman cannot attend a meeting, the attending members shall elect one of themselves to preside.

2.3 Resolutions

Each member has one vote and the passing of any resolutions of a Committee meeting shall be passed by over 50% affirmative votes of all Committee members.

The voting of a Committee meeting may be taken by hands or by poll.

Any resolutions of a Committee meeting shall be in written form and executed by attending members.

If a written resolution is adopted, it takes effect when the meeting materials are delivered to all Committee members and affirmatively voting members reach the legitimate quorum for passing such resolution.

2.4 Minutes

A Committee meeting shall have complete and truthful minutes and they shall be properly maintained.

The Office of the Board Chairman shall be responsible for taking minutes of Committee meetings. The draft of the minutes shall be available to all Committee members within a reasonable time after the meeting for their review and execution and comment. Eventually, a final version will be sent to them for records.

The Secretary of the Board shall keep the original copies of the minutes in such manner and for such duration as determined by reference to the filing of Board documents.

The minutes shall be available for inspection by any Director at any reasonable time on reasonable notice by the Director.

2.5 Non-voting Attendance

When it deems necessary, the Committee may invite the Company's management and other Directors to attend a Committee meeting where the attendees have no voting right.

2.6 Ancillary Organ of the Committee

The Office of the Board Chairman shall coordinate and support the routine operation of the Committee.

3. Duties and Obligations of the Committee

3.1 Duties of the Committee

The followings are the major duties of the Committee:

- a. to make recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management of the Company 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. to make recommendations to the Board on the remuneration of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensations (including any compensation payable for loss or termination of 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 terms for other positions 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 the 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 the contractual terms and are otherwise reasonable and appropriate;
- h. to ensure that no director or any of his associates is involved in determining his/her own remuneration;
- i. to review the Company's policy on expense reimbursements for Directors and senior management.
- j. other overseeing duties authorized by the Board; and
- k. other overseeing duties of the Committee authorized by the regulatory rules.

The Committee has the right to request from the Company's management any necessary documents and materials for the performance of its duties or seek explanations on any issues the Committee is concerned about. Senior management shall co-operate with the Remuneration Committee.

3.2 Duties of the Committee Members

Each of the Committee members shall diligently and efficiently perform his/her duties and exercise his/her rights, in accordance with the applicable regulatory provisions and this Charter, including but not limited to:

- a. be conscientious, reasonably safeguard the best interests of the Company, fairly protect the interests of all shareholders, especially the interests of minority shareholders;
- b. attend a Committee meeting in person, or authorize other members to attend on his or her behalf by written proxy, which shall state the scope of authorization, when he or she is unable to attend;
- c. carefully review any documents and resolutions submitted to the members;
- d. keep adequate and effective communication with the Board and the management;
- e. all members attending any Committee meetings shall have the obligation to keep confidential all matters discussed at such meetings and shall refrain from unauthorized disclosures of information relating thereto.

3.3 Others

3.3.1 Members of the Committee shall disclose the following matters to the Committee:

- a. any personal financial interest (other than as a Shareholder of the Company) in any matter to be decided by the Committee; or
- b. any potential conflict of interest arising from a cross-directorship.

Any of the above members shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and, if so required by the Board, shall resign from the Committee.

3.3.2 The remuneration package for Directors of the Company recommended by the Committee shall be submitted to the Board for approval and tabled at a general meeting for consideration and approval before implementation; the remuneration package for senior management of the Company recommended by the Committee shall be submitted to the Board for consideration and approval before implementation.

3.3.3 The Committee Chairman shall attend the Company's annual general meeting to answer shareholders' questions on the Committee's activities.

3.3.4 The Committee shall make available the terms of reference on request and have them upload to the websites of Stock Exchange and the Company, explaining its role and the authority delegated to it by the Board, by inclusion on the Stock Exchange's and the Company's websites.

3.3.5 The Company shall disclose in its annual report details of the remuneration payable to each of the senior management on named basis.

4. Compensation and Budget of the Committee

4.1 Compensation of the Committee

The compensation of the Committee shall be determined and approved by the Board and can be paid in form of cash, stocks or options. The Committee members shall not directly or indirectly receive from the Company any consulting fees, advising fees or any other compensation, except for:

- a. compensation received as a Director (including any compensation and other benefits paid to all Directors) and compensation received as an employee in playing the role of an employee representative;
- b. compensation for a position in any committee under the Board; or

- c. pension or other deferred compensation for the service that a Director has provided (provided that such compensation is not contingent upon any other service that a Director has to provide in any way in the future).

4.2 Budget of the Committee

For the performance of its duties, the Committee shall have its necessary budget and other resources which shall be borne by the Company, including:

- a. total expenses relating the appointment of any external advisors by the Committee; and
- b. all necessary or appropriate administrative expenses for the Committee to perform its duties.

5. Appendixes

5.1 Validity and Interpretation

This Charter shall take effect upon the passing by a Board resolution and the Board shall be responsible for the interpretation hereof. Any issue not covered hereunder shall follow the applicable regulatory provisions and the Articles of Association of the Company.

5.2 Amendment and Termination

Any amendment or termination of this Charter is subject to the Board's resolution.

5.3 Publishing of this Charter

This Charter will be published on the websites of the Company and the Stock Exchange of Hong Kong Limited according to the Listing Rules of the Stock Exchange.