

# **WEALTH GLORY HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)

(the “**Company**”)

## **REMUNERATION COMMITTEE**

### **TERMS OF REFERENCE**

#### **Constitution**

1. The Board of the Company (the “**Board**”) resolved on 26 September 2010 to establish a committee of the Board to be known as the remuneration committee (the “**Committee**”). The Board has established this terms of reference in compliance with the Code on Corporate Governance Practices in Appendix 15 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

#### **Membership**

2. The Committee shall consist of at least two independent non-executive Directors appointed by the Board. The Board may from time to time appoint additional members to the Committee from among the non-executive directors. A majority of the members of the Committee shall be independent non-executive directors.
3. The Board shall nominate one of the members as the chairman of the Committee.
4. The senior management staff in charge of or supervising the human resources function of the Company or a nominee or the Company Secretary shall act as the Secretary of the Committee.

#### **Frequency and proceedings of meetings**

5. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands. In addition, the chairman of the Committee may convene additional meetings at his discretion.
6. The quorum of a meeting shall be two members of the Committee provided always that if on resolution that a director is interested, he shall NOT be counted as quorum and any vote by him (if made) shall be disregarded.
7. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company relating to directors proceedings (and such provisions shall be deemed to form part of these Terms).
8. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members.

## Duties, powers and functions

### 9. The Committee shall:

- a. without prejudice to the generality of the foregoing:
  - i. recommend to the Board on the Company and its subsidiary (the “**Group**”)’s policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for development remuneration policy;
  - ii. review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;
  - iii. determine the remuneration packages of individual executive Directors and senior management (including benefits in kind, pension rights and compensation payment (including any compensation payable for loss or termination of their office or appointment, etc)). The Chairman and/or the Chief Executive shall be consulted respectively about their proposals relating to the remuneration of the executive Directors, as the case may be;
  - iv. make recommendations to the Board on the remuneration of non-executive Directors;
  - v. consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
  - vi. review and approve the compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with relevant contractual terms and is otherwise fair and not excessive;
  - vii. review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
  - viii. ensure that no director or any of his associates is involved in deciding his own remuneration; and
  - ix. to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing rules.
- b. advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders’ approval under rule 17.90 of the GEM Listing Rules as amended from time to time.

## **Reporting Procedures**

10. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

## **Terms of Reference**

11. These terms of reference shall be reviewed on annual basis and as required.
12. The term of reference will be posted on the website of the Company. A copy of the terms of reference will be made available to any person without charge upon request.