Seres Group Co., Ltd.

Rules of Procedure for the Remuneration and Appraisal Committee

Chapter 1 General Provisions

Article 1 In order to further establish and improve the appraisal and remuneration management system for directors and senior management of Seres Group Co., Ltd. (hereinafter referred to as the "Company") and improve its corporate governance structure, the Company has established a remuneration and appraisal committee (hereinafter referred to as the "Remuneration and Appraisal Committee"or the "Committee") of the board of directors (hereinafter referred to as the "Board") and formulated these Rules of Procedure pursuant to the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and the Articles of Association of Seres Group Co., Ltd. (hereinafter referred to as the "Articles of Association"), and with reference to the Code of Corporate Governance for Listed Companies and other relevant regulations.

Article 2 The Remuneration and Appraisal Committee is a dedicated working body under the Board responsible for formulating, managing and appraising the remuneration system for the Company's directors and senior management personnel. It shall report its work to the Board and is accountable to the Board.

Article 3 Directors mentioned in these Rules of Procedure refer to the chairman of the Board and directors who receive remuneration from the Company; senior management personnel refers to, among others, the president, vice president, chief financial officer and Board secretary engaged by the Board, as well as other senior management personnel determined by the Board.

Article 4 The Board has the right to veto any compensation plan or proposal that is detrimental to the interests of shareholders.

Chapter 2 Composition

Article 5 The Remuneration and Appraisal Committee shall consist of three directors, of whom more than half shall be independent directors. The members of the Committee shall be nominated by the chairman of the Board, more than half of the independent directors or one-third of all directors, and elected at a Board meeting.

Article 6 The Remuneration and Appraisal Committee shall have a convener, who shall be an independent director. The convener shall be responsible for presiding over the work of the Committee. The convener shall be elected from among the members of the Committee and appointed by the Board.

Article 7 The term of office of the members of the Remuneration and Appraisal Committee shall be the same as that of the directors of the Board. A member of the Remuneration and Appraisal Committee shall be eligible for re-election upon the expiry of his/her term of office. If any member of the Remuneration and Appraisal Committee ceases to serve as a director of the Company during his/her term of office, he/she will automatically lose his/her qualification as a member of the Remuneration and Appraisal Committee. If the Company fails at any time to comply with requirements regarding the Remuneration and Appraisal Committee under the Hong Kong Listing Rules, it shall immediately publish an announcement stating the details and reasons for such non-compliance, and the Board shall make reasonable efforts to rectify the non-compliance in due course (in any event within three months from the date of such non-compliance) in accordance with these Rules of Procedure.

Article 8 The provisions on the obligations of directors stipulated in the Company Law, the Articles of Association and the Hong Kong Listing Rules shall apply to the members of the Remuneration and Appraisal Committee.

Chapter 3 Duties and Authorities

Article 9 The Remuneration and Appraisal Committee shall be responsible for formulating appraisal standards for directors and senior management personnel and conducting relevant appraisals, formulating and reviewing remuneration policies and plans for directors and senior management personnel, and making recommendations to the Board on the following matters:

(1) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management personnel's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(2) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(3) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management personnel, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and to consult the chairman and/or the president on remuneration proposals for other executive directors;

(4) to make recommendations to the Board on the remuneration of non-executive directors;

(5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

(6) to review and approve compensation payable to executive directors and senior management personnel 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;

(7) to evaluate the performance of executive directors, and to approve the terms of service contract of executive directors;

(8) 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 are otherwise reasonable and appropriate;

(9) to ensure that no director or any of their associates is involved in deciding that director's own remuneration;

(10) to formulate, review, approve and/or revise matters relating to share schemes (including arrangement of share schemes by directors and senior management personnel in the subsidiaries proposed to be spun off) in accordance with Chapter 17 of the Hong Kong Listing Rules (as amended and supplemented from time to time), the conditions to be satisfied for the participants to be granted with interests or to exercise interests, etc.;

(11) to report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so;

(12) other matters as required by laws, administrative regulations, the China Securities Regulatory Commission and the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association and that are authorized by the Board.

If the Board has not adopted or has not fully adopted the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for not adopting the same in a Board resolution and make relevant disclosure.

Article 10 When the Remuneration and Appraisal Committee performs its duties, the relevant departments of the Company shall cooperate with it and provide sufficient resources. Where necessary, the Remuneration and Appraisal Committee may engage an intermediary agency to provide independent professional advice for its decision-making at the Company's expense.

Chapter 4 Decision-making Procedures

Article 11 When the Remuneration and Appraisal Committee perform its duties, the Company shall provide relevant written materials, including but not limited to:

(1) the Company's major financial indicators and achievement of operating objectives;

(2) the scope of work and performance of main duties of the Company's senior management personnel;

(3) the fulfillment of indicators in the job performance evaluation system for directors and senior management personnel;

(4) the relevant calculation basis for the Company's remuneration plans and distribution methods.

Article 12 The Remuneration and Appraisal Committee's appraisal procedures for directors and senior management personnel are as follows:

(1) the directors and senior management personnel of the Company shall submit work reports and self-evaluation reports to the Remuneration and Appraisal Committee;

(2) the Remuneration and Appraisal Committee shall conduct performance evaluations of the directors and senior management personnel in accordance with performance evaluation standards and procedures;

(3) evaluating the innovation capability and business potential of directors and senior management personnel;

(4) proposing a recommendation report on the amount of remuneration and the method of reward for the directors and senior management personnel based on the results of job performance evaluations and the remuneration distribution policy, and submit it to the Board;

(5) a special appraisal and evaluation may be conducted in the event of the election of a new session of the Board and the appointment of senior management personnel, and shall be completed before a Board meeting is convened.

Chapter 5 Rules of Procedure

Article 13 The Remuneration and Appraisal Committee shall hold meetings based on the needs of the Company.

Article 14 A meeting of the Remuneration and Appraisal Committee shall be convened and presided over by the convener of the Committee, the notice of which shall be given to all members three days before the meeting. The aforementioned notice period may be waived with the unanimous consent of all members. In case of failure or inability to perform his/her duties, the convener of the Remuneration and Appraisal Committee shall designate another member to act on his/her behalf. Where the convener of the Committee neither performs his/her duties nor designates another member to act on his/her behalf, more than half of the directors of the Board shall designate a member of the Committee to perform the duties of the convener of the Remuneration and Appraisal Committee.

Article 15 The notice of a meeting of Remuneration and Appraisal Committee may be given by fax, email, telephone, or by personal or postal delivery. When the notice is given by telephone, email or other prompt means of communication, the person being notified shall be deemed to have received the notice of the meeting if no written objection is received within two days from the date of giving the notice.

Article 16 Meetings of the Remuneration and Appraisal Committee shall be held only when more than two-thirds of the members are present. Each member has one vote, and the resolutions made at the meeting shall be passed by more than half of all members (including those who are not present at the meeting).

Article 17 A member of the Remuneration and Appraisal Committee may attend a meeting in person or authorize another member to attend the meeting and exercise voting rights on his/her behalf. If a member of the Remuneration and Appraisal Committee authorizes another member to attend the meeting and exercise voting rights on his/her behalf, he/she shall submit a power of attorney to the chairman of the meeting. The power of attorney shall specify the name of the proxy, the matters to be represented, the authority of the proxy and the validity period, and shall be signed or sealed by the principal. The power of attorney shall be submitted to the chairman of the meeting no later than the voting at the meeting.

Article 18 The meetings of the Remuneration and Appraisal Committee may be held either as a physical meeting or with voting by way of correspondence.

Article 19 The Remuneration and Appraisal Committee may gather other persons related to the meeting proposals to sit in on the meetings, giving a briefing or expressing their opinions if it considers necessary. However, those who are not the members of the Remuneration and Appraisal Committee have no voting rights over the proposals.

Article 20 Members attending the meeting shall consider the proposals in a conscientious and responsible manner and fully express their personal opinions, and each member shall be responsible for his/her own voting.

Article 21 The proposals passed at the meetings of the Remuneration and Appraisal Committee and the relevant voting results shall be submitted to the Board in writing.

Article 22 The Board shall disclose the work carried out by the Remuneration and Appraisal Committee in the past year in its annual work report, including meetings held and resolutions passed.

Article 23 The Remuneration and Appraisal Committee shall keep written minutes of its meetings, and the members present at the meeting and the person taking the minutes shall sign the minutes. Members present at the meeting have the right to request explanatory remarks on their speeches at the meeting to be recorded in the minutes. The minutes of meetings of the Remuneration and Appraisal Committee shall be kept by the Board secretary as archives of the Company for ten years during the existence of the Company.

Article 24 The members of the Remuneration and Appraisal Committee shall be obliged to maintain the confidentiality of relevant information they have learnt about the Company until such information is made public.

Chapter 6 Supplementary Provisions

Article 25 For the purpose of these Rules of Procedure, the term "more than" includes the given figure.

Article 26 These Rules of Procedure shall be formulated, amended and interpreted by the Board.

Article 27 Matters not covered in these Rules of Procedure shall be dealt with in accordance with relevant national laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 28 In case of any conflict between these Rules of Procedure and future national laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the revised Articles of Association, the relevant national laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association shall prevail.

Article 29 These Rules of Procedure shall be considered and approved by the Board, and shall become effective and be implemented from the date on which H shares issued by the Company are listed on the Hong Kong Stock Exchange. From the effective date of these Rules of Procedure, the original Rules of Procedure for the Remuneration and Appraisal Committee of the Company shall lapse automatically.