Shanghai Iluvatar CoreX Semiconductor Co., Ltd.

Rules of Procedure for the Remuneration Committee of the Board of Directors

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further establish and improve the remuneration and assessment management system for Directors and senior management of the Company, and improve the corporate governance structure, the Remuneration Committee under the Board of Directors has been established with these Rules of Procedure formulated in accordance with 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 other relevant laws and regulations, and the Articles of Association of Shanghai Iluvatar CoreX Semiconductor Co., Ltd. (hereinafter referred to as the "**Articles of Association**").

Article 2 The Remuneration Committee is mainly responsible for formulating assessment standards for Directors and senior management of the Company and conducting assessments; responsible for formulating and reviewing the remuneration policies and plans for Directors and senior management of the Company, and shall be accountable to the Board of Directors.

Article 3 Directors referred to in these Rules of Procedure refer to the chairman and Directors who receive remuneration from the Company; senior management refers to the general manager, deputy general manager, secretary to the Board of Directors, person in charge of finance and other senior management stipulated in the Articles of Association.

CHAPTER 2 COMPOSITION

Article 4 The Remuneration Committee comprises at least three Directors, of whom the majority should be independent non-executive Directors.

Article 5 Members of the Remuneration Committee shall be nominated by the chairman of the Board of Directors, not less than half of the independent non-executive Directors or not less than one-third of all Directors, and shall be elected by the Board of Directors.

Article 6 The Remuneration Committee has one chairman (convener), who shall be an independent non-executive Director member, and is responsible for presiding over the work of the committee. The chairman shall be nominated by the chairman of the Board of Directors and submitted to the Board of Directors for approval.

Article 7 The term of office of the Remuneration Committee shall coincide with that of the Board of Directors. A member may serve consecutive terms if re-elected upon the expiry of his/her term of office. If a member ceases to be a Director or is no longer suitable for the position of member during his/her term of office, he/she shall automatically lose his/her qualification as a member, subject to approval by the Board of Directors. The Board of Directors shall appoint a new member in accordance with the Articles of Association and these Rules of Procedure within three months.

Article 8 The Remuneration Committee may set up a working group, composed of relevant personnel from the human resources department of the Company, specifically responsible for providing information on the Company's relevant operations and relevant information on the personnel being assessed, responsible for preparing for committee meetings and implementing relevant resolutions of the committee.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 9 The primary duties and authorities of the Remuneration Committee are:

(I) making recommendations to the Board of Directors on the remuneration plans or packages (including the overall remuneration policy and structure) according to the main scope, duties and importance of the management positions of Directors and senior management as well as the remuneration levels of relevant positions in other relevant enterprises, and on the establishment of a formal and transparent procedure for developing such remuneration policy;

(II) the remuneration plans or packages mainly include but are not limited to performance evaluation standards, procedures and main evaluation systems, and main schemes and systems for rewards and penalties;

(III) reviewing, evaluating and approving the management's remuneration proposals with reference to the Board of Directors' corporate goals and objectives;

(IV) making recommendations to the Board of Directors on the remuneration packages of individual executive Directors and senior management, or determining, with delegated responsibility, the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment);

(V) making recommendations to the Board of Directors on the remuneration of non-executive Directors (including independent non-executive Directors);

(VI) considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

(VII) reviewing the performance of Directors and senior management of the Company and conducting annual performance appraisals on them;

(VIII) reviewing and approving 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 if not, that such compensation is fair also fair and reasonable, and not excessive;

(IX) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms; and if not, that such compensation is also reasonable and appropriate;

(X) responsible for supervising the implementation of the Company's remuneration system;

(XI) ensuring that no Director or any of his/her associates (as defined in the Hong Kong Listing Rules) is involved in deciding his/her own remuneration;

(XII) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules; and

(XIII) other matters authorized by the Board of Directors.

Article 10 The remuneration plan for Directors of the Company proposed by the Remuneration Committee shall be submitted to the shareholders' meeting for consideration and approval after being agreed by the Board of Directors before it can be implemented; the remuneration distribution plan for senior management of the Company proposed by the committee may be implemented upon approval by the Board of Directors.

Article 11 The Remuneration Committee should make available its terms of reference on the websites of the Hong Kong Stock Exchange and the Company, explaining its role and the authority delegated to it by the Board of Directors.

CHAPTER 4 DECISION-MAKING PROCEDURES

Article 12 The working group under the Remuneration Committee is responsible for making preliminary preparations for the decision-making of the committee and providing information related to the Company:

(I) providing the completion status of the Company's main financial indicators and business objectives;

(II) providing the scope of work and main responsibilities of the Company's senior management;

(III) providing the completion status of indicators involved in the job performance appraisal system for Directors and senior management;

(IV) providing the business performance status of Directors and senior management regarding their business innovation capabilities and profit-making capabilities;

(V) providing relevant calculation basis for formulating the Company's remuneration distribution plan and distribution method according to the Company's performance.

Article 13 Procedures for the assessment of Directors and senior management by the Remuneration Committee:

(I) Directors and senior management of the Company present their performance report and self-evaluations to the Remuneration Committee of the Board of Directors;

(II) the committee conducts performance evaluation on Directors and senior management in accordance with the performance evaluation standards and procedures;

(III) proposing the remuneration amount and reward method for Directors and senior management based on the job performance evaluation results and remuneration distribution policy, and reporting to the Board of Directors of the Company after voting and approval.

CHAPTER 5 RULES OF PROCEDURE

Article 14 The Remuneration Committee shall hold at least one meeting every year, and notify all members seven days before the meeting. The meeting shall be presided over by the chairman. When the chairman is unable to attend, he/she may entrust another member (an independent non-executive Director) to preside over the meeting.

Article 15 A meeting of the Remuneration Committee shall be attended by two-thirds or more of its members; each member has one vote; resolutions made at the meeting must be passed by more than half of all members.

Article 16 Voting at the meetings of the Remuneration Committee shall be by a show of hands or by poll; extraordinary meetings may be convened by means of communication.

Article 17 When necessary, the Remuneration Committee meeting may invite Directors and senior management of the Company to attend the meeting as non-voting participants.

Article 18 The Remuneration Committee should consult the chairman and/or chief executive officer about their remuneration proposals for other executive Directors. If necessary, the Remuneration Committee may engage intermediary firms to provide professional advice for its decisions at the expense of the Company.

Article 19 When the Remuneration Committee meeting discusses proposals related to members of the committee, the parties concerned shall abstain from voting.

Article 20 The procedures for convening meetings of the Remuneration Committee, voting methods and the remuneration policies and distribution plans passed at the meetings must comply with the provisions of relevant laws, regulations, the Hong Kong Listing Rules, the regulations and requirements of relevant securities regulatory authorities and the Articles of Association.

Article 21 Minutes of meetings of the Remuneration Committee shall be kept, signed by the members present at the meeting, and kept by the secretary to the Board of Directors. If any Director gives reasonable notice, the relevant minutes of meetings should be open for his/her inspection at any reasonable time.

Article 22 The proposals passed and voting results of the meeting of the Remuneration Committee shall be submitted in writing to the Board of Directors of the Company.

Article 23 All members present at the meeting have a confidentiality obligation regarding the matters discussed at the meeting and shall not disclose relevant information without authorization.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 24 These Rules of Procedure shall come into effect and be implemented after being reviewed and approved by the Board of Directors.

Article 25 The terms "more than" and "at least" in these Rules of Procedure include the number itself, while "more than half" does not include the number itself.

Article 26 Matters not covered in these Rules of Procedure shall be implemented in accordance with relevant national laws and regulations, the Hong Kong Listing Rules, the regulations and requirements of relevant securities regulatory authorities and the Articles of Association; In the event that these Rules of Procedure are in conflict with relevant national laws and regulations, the Hong Kong Listing Rules, the regulations and requirements of relevant securities regulatory authorities or the amended Articles of Association, the provisions of relevant national laws and regulations, the Hong Kong Listing Rules, the regulations and requirements of relevant securities regulatory authorities and the Articles of Association shall prevail.

Article 27 These Rules of Procedure shall be interpreted and amended by the Board of Directors of the Company.