

GOLDEN FAITH GROUP HOLDINGS LIMITED
(the “Company”)

TERMS OF REFERENCE AND MODUS OPERANDI OF THE
REMUNERATION COMMITTEE
(the “Committee”)

These terms of reference of the Committee of the Company (together with its subsidiaries, the “**Group**”) have been prepared based on the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**” and the “**Exchange**”, respectively).

Membership

1. The Committee shall consist of not less than three (3) members appointed by the board of directors of the Company (the “**Director(s)**” or “**Board**”) from time to time.
2. The chairman of the Committee shall be appointed by the Board, and be an independent non-executive director.
3. The Committee shall comprise a majority of independent non-executive directors.
4. Subject to Rules 1, 2 and 3 above, the Board shall be entitled to, from time to time, at their discretion, change the composition of the members of the Committee.

Secretary

5. The Committee shall be entitled to appoint the company secretary of the Company or any other person with appropriate qualification and experience as the secretary of the Committee. Full minutes of the meetings should be kept by the secretary.

Frequency and proceedings of meetings

6. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
7. In addition, the chairman of the Committee shall be entitled to convene additional meetings at his discretion.
8. The quorum of a meeting shall be two (2) members of the Committee.
9. The Committee shall be entitled to, from time to time, invite advisors including, but not limited to, Board members and/or senior management members of all employing entity subsidiaries, external advisors or consultants, to the meeting to advise its members.
10. A member of the Committee shall abstain from voting and must not be counted in the quorum of a meeting in respect of the resolution regarding the remuneration payable to that member.

11. The Committee members shall be entitled to attend the meetings in person, by telephone or by video conference.
12. Resolutions of the Committee shall be passed by more than half of the members of the Committee.
13. A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
14. Unless otherwise stated herein, proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company.

Authority

15. All members of the Committee shall be entitled to have access to the advice and services of the secretary who is responsible to the Committee for ensuring that procedures of the Committee, and all applicable rules and regulations, are followed.
16. The Committee shall be provided with sufficient resources to perform its duties and may seek independent professional advice upon reasonable request at the Company's expenses to perform its duties.
17. The Committee shall be authorised by the Board to investigate any activity within its terms of reference and seek any necessary information which is within its scope of duties from the employees of the Company and its subsidiaries (including the members of the Board).

Duties, powers and functions

18. The Committee shall:-
 - (a) consider all remuneration matters below for the Group;
 - (b) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, time commitment and responsibility, employment conditions elsewhere in the Group, and individual performance of the directors, senior management members, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board;
 - (c) take into consideration the views of senior management members and other experts as necessary on specific conditions regarding each employing entity within the Group;
 - (d) without prejudice to the generality of the foregoing:
 - (i) establish guidelines for the recruitment of the chief executive and senior management members;
 - (ii) recommend to the Board the policy and structure for the remuneration of directors, chief executive and senior management members, whilst ensuring no

director or any of his associates, or any senior management member is involved in deciding his own remuneration;

- (iii) make recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy;
- (iv) determine the remuneration of directors, chief executive and senior management members, including benefits in kind, pension right, compensation payment (including compensation for loss of office or appointment etc.). The chairman and/or the chief executive of the Company shall be consulted respectively about their proposals relating to the remuneration of the chief executive of the Company and/or senior management members, as the case may be;
- (v) review and approve the compensation arrangements in connection with any appointment to executive directors and senior management members, or loss or termination of their office, which shall be consistent with contractual terms, and otherwise fair and not excessive;
- (vi) review and approve the compensation arrangements in connection with any dismissal or removal for misconduct to directors and senior management which shall be consistent with contractual terms, and otherwise reasonable and appropriate;
- (vii) determine the criteria for assessing employee performance, which shall reflect the Company's business objectives and targets;
- (viii) consider the annual performance bonus for directors, senior management members, and the general staff, having regard to their achievements against the performance criteria, and by reference to market norms, and make recommendation to the Board;
- (ix) engage such external professional advisors for assistance and/or advice on issues as it considers necessary;
- (x) advise shareholders of the Company with respect to any service contracts of Directors that require shareholders' approval under the Listing Rules;
- (xi) do any such things to discharge its powers and functions conferred on it by the Board; and
- (xii) conform to any requirement, direction, and regulation that may, from time to time, be prescribed by the Board, or contained in the constitution of the Company, or imposed by legislation.

19. The Committee shall be provided with sufficient resources to enable it to perform its functions, including resources for seeking independent professional advice.

Reporting Procedures

20. The Committee shall report to the Board on a regular basis, and the Committee's chairman shall report the Committee's findings and recommendations to the Board at the next meeting of the Board following a meeting of the Committee.

21. Full minutes and written resolutions shall be kept by the secretary of the Committee. Draft and final versions of minutes of the meetings shall be sent to all Committee members for their comments and records, within a reasonable time after the meeting. Written resolutions shall be promptly sent to all Committee members for their records after the written resolutions are passed.
22. At least once annually, the Committee shall present a report in writing to the Board which addresses the work of the Committee during the year.

Others

23. The Company should disclose details of any remuneration payable to members of senior management by band in its annual reports and the Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Exchange's website and the Company's website.
24. Any changes to the terms of reference shall be effective after they have been approved by the Board.

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