

ORIENTAL CITY GROUP HOLDINGS LIMITED
(奧思知集團控股有限公司)
(incorporated in the Cayman Islands with limited liability)
(the “Company”)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

The Company’s remuneration committee (the “**Remuneration Committee**”) is established pursuant to a resolution passed by the board of directors (the “**Directors**”) of the Company (the “**Board**”) at a meeting held on 14 August 2009.

In these terms of reference, references to one gender shall include all genders and references to natural person(s) shall include corporation(s) and unincorporated association(s), unless the context otherwise requires.

MEMBERSHIP, CHAIRMAN & SECRETARY

1. **Membership:** Members of the Remuneration Committee shall be appointed by the Board and shall comprise a minimum of three members.

Majority of the members of the Remuneration Committee shall be independent non-executive Directors.

The appointment of the chairman, the members and the secretary of the Remuneration Committee may be revoked, or additional members may be appointed to the Remuneration Committee by separate resolutions passed by the Board.

A member of the Remuneration Committee may not appoint any alternate.

2. **Chairman:** The chairman of the Remuneration Committee (the “**Chairman**”) shall be appointed by the Board. The Chairman shall be an independent non-executive Director.

In the absence of the Chairman at any meeting of the Remuneration Committee, the remaining members of the Remuneration Committee present at any meeting convened in accordance with these terms of reference shall elect among the remaining member of the Remuneration Committee to

act as the Chairman.

3. **Secretary:** The company secretary or in his absence, his delegate, shall be the secretary of the Remuneration Committee (the “**Secretary**”).

In the absence of the Secretary, the members of the Remuneration Committee present at the meeting shall elect another person to act as the secretary.

RESPONSIBILITIES

4. The Remuneration Committee shall make recommendations to the Board on the Company’s policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The Remuneration Committee shall regularly monitor the remuneration of all of the directors and senior management of the Company and its subsidiaries (the “**Group**”) such that their remuneration is set at appropriate levels.
5. The Remuneration Committee shall exercise the powers of the Board to determine the specific remuneration packages of all executive Directors, and senior management, (including salaries, bonuses, pension rights, benefits in kind and any provident fund or other retirement benefit scheme and compensation payments (including any compensation payable for loss or termination of their office or appointment)), and make recommendations to the Board of the remuneration of non-executive directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management, employment conditions elsewhere in the Group and desirability of performance -based remuneration.
6. The Remuneration Committee shall review and approve:
 - 6.1. performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
 - 6.2. the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant

contractual terms and that such compensation is otherwise fair and not excessive for the Company; and

- 6.3. compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
7. The Remuneration Committee shall ensure that no Director or any of his associates is involved in deciding his own remuneration.
8. The Remuneration Committee shall report to the Board its activities, decisions and recommendations as the Board may require from time to time. The Remuneration Committee shall exercise such other powers, authorities and discretions, and perform such other duties, of the Directors in relation to the remuneration of the executive Directors and senior management as the Board may from time to time delegate to it, having regard to the Code of Corporate Governance Practices (the “**Code**”) set out in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).
9. The Remuneration Committee shall 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.
10. In exercising its power, authorities and discretions and performing its duties, the Remuneration Committee shall take full account of the Code and the GEM Listing Rules.
11. To ensure proper disclosure of the Director’s remuneration in the annual report of the Company in accordance with the accounting principles and the GEM Listing Rules.
12. To address and deal with such other matters as may be delegated by the Board to the Remuneration Committee.

NOTE: “senior management” in this Terms of Reference should refer to the same category of persons as referred to in the Company’s annual report and is required to be disclosed under rule 18.39 of the GEM Listing Rules. It is the responsibility of the Directors to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries, heads of divisions, departments or

other operating units within the Group as, in the opinion of the Directors, is appropriate.

AUTHORITY

13. The Remuneration Committee is authorised to seek any information it requires from any employee of the Company or Director in order to perform its duties and to make informed decisions. The information supplied must be complete and reliable. All employees of the Company are directed to co-operate with any request made by the Remuneration Committee.
14. In carrying out its duties, the Remuneration Committee, if considered necessary, is authorized by the Board to obtain, at the Company's expense, expert advice from legal or other professional advisors.

PROCEEDINGS

15. **Frequency:** The meetings of the Remuneration Committee shall be held not less than once a year.

A meeting of the Remuneration Committee may be convened by the Secretary on request of the Board or any member(s) of the Remuneration Committee.
16. **Notice and agenda of Meeting:** A meeting of the Remuneration Committee shall be called by at least seven days' notice in writing and such notice of meeting may be exempted upon agreement of all the members of the Remuneration Committee.

Notice shall be given to each member of the Remuneration Committee orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or address or email address from time to time notified to the secretary by such member of the Remuneration Committee or by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.

Notices of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together

with other documents which may be required to be considered by the members of the Remuneration Committee for the purposes of the meeting.

17. **Quorum:** The quorum shall be two members. If only two members are present in any meeting of the Remuneration Committee, at least one member must be an independent non-executive Director.

A duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Remuneration Committee.

Members may participate in any Remuneration Committee meeting by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

18. **Voting:** Questions arising at the Remuneration Committee meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

19. **Resolutions in writing and minutes of meeting:** A resolution in writing signed by all the members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held. Any such resolution may be contained in a single document or may consist of several documents all in like form.

The Secretary should keep full minutes of the Remuneration Committee meetings and shall be made available for inspection by any member of the Remuneration Committee and any Director at any reasonable time and on reasonable notice. Minutes of the Remuneration Committee should record in sufficient

detail regarding the matters considered by the Remuneration Committee and decisions reached, including any concerns raised by any member of the Remuneration Committee or dissenting views expressed. Drafts and final versions of minutes of the Remuneration Committee meetings should be sent to all members of the Remuneration Committee for their comments and records respectively, in both cases within a reasonable time after the meeting is held.

20. **Attendance:** Other Directors who are not members of the Remuneration Committee and external advisers shall have the right to attend any meetings of the Remuneration Committee, however they shall not be counted in the quorum.

COMMUNICATION

21. The Remuneration Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Remuneration Committee, the Chairman or in the absence of the Chairman, a member of the Remuneration Committee shall report the findings and recommendations of the Remuneration Committee to the Board.
22. The Chairman or in the absence of the Chairman, a member of the Remuneration Committee shall attend the Company's annual general meeting and be prepared to respond to shareholders' questions.

INTERPRETATION AND AMENDMENTS

23. The power of interpretation of this Terms of Reference shall be vested in the Board.
24. The Board may amend this Terms of Reference from time to time.
25. If there is any inconsistency between the English and Chinese versions of these terms of reference, the English version shall prevail.