



德銀天下股份有限公司

DEEWIN TIANXIA CO., LTD

(A joint stock company incorporated in the People's Republic of China with limited liability)

Terms of Reference of the Compensation Committee of the Board

Chapter I General Provisions

Article 1 The terms of reference is formulated to ensure the effective operation of the corporate governance structure of Deewin Tianxia Co., Ltd (the “**Company**”), clarify the responsibilities and authorities of the compensation committee (the “**Compensation Committee**” or “**Committee**”) of the board of the Company (the “**Board**”), standardize the decision-making procedures of the Committee, strengthen the management of directors and senior management members in accordance with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Articles of Association and other relevant regulations.

Article 2 The Compensation Committee is a special committee under the Board, which is responsible to the Board and reports to the Board.

Article 3 The term “directors” as stated in the terms of reference refers to the directors who receive remuneration from the Company, and “senior management members” including the general manager, deputy general manager, financial officer, and secretary of the Board appointed by the Board.

Chapter II Composition

Article 4 The Compensation Committee shall consist of no less than three directors, of whom the majority shall be independent non-executive directors.

Article 5 The Compensation Committee shall be nominated by the Chairman, more than half of the independent non-executive directors or more than one-third of all directors, and shall be elected by the Board.

Article 6 The main responsibilities and authorities of the members of the Compensation Committee include:

- (I) To attend the terms of reference meeting of the Compensation Committee on time in accordance with the express opinions on matters discussed at the meeting, and exercise the voting rights;
- (II) To propose topics to be discussed at the meeting of the Compensation Committee;
- (III) To attend or audit relevant meetings of the Company, conduct investigations, and obtain required reports, documents, materials and other relevant information for performing their duties;

- (IV) To fully understand the responsibilities of the Compensation Committee and his/her duties as a member of the Compensation Committee, familiarize himself/herself with the Company's operation and management status, business activities and development related to his/her duties, and ensure his/her ability to perform his/her duties;
- (V) To fully ensure the time and energy for the performance of his/her duties;
- (VI) Other responsibilities and authorities as stipulated in the terms of reference.

Article 7 The Compensation Committee shall have one chairman, who shall be an independent non-executive director responsible for convening meetings of the Compensation Committee and presiding over the work of the Committee; and the Chairman shall be elected among the members and submitted to the Board for approval.

Article 8 The main responsibilities and authorities of the Chairman are as follows:

- (I) To preside over the Compensation Committee meetings and issue meeting resolutions;
- (II) To propose regular meetings of the Compensation Committee;
- (III) To propose extraordinary meetings of the Compensation Committee;
- (IV) To lead the Compensation Committees and ensure their effective operation and performance of their duties;
- (V) To ensure that the Committee shall draw clear and definite conclusions on resolutions considered, including approvals, disapprovals or awaiting supplementary materials for further consideration;
- (VI) To determine the agenda of each meeting of the Compensation Committee;
- (VII) Other responsibilities and authorities as stipulated in the terms of reference.

Article 9 Members of the Compensation Committee shall have the same tenure as the directors of the same session of the Board. The members may be re-elected upon the expiration of the term of office. If a member ceases to be a director or a member who shall serve as the independent non-executive director is no longer qualified for the position of independent non-executive director within his/her term of office, he/she shall be automatically removed as the committee member, and the vacancy in the Committee shall be filled in accordance with the terms of reference by the Board.

Article 10 The daily affairs department of the Committee is the Board Office of the Company, which is responsible for the daily work liaison, meeting organization, material preparation and file management of the Compensation Committee.

Article 11 Under the coordination of the Board Office, the relevant departments of the Company in charge of personnel, and enterprise management shall be responsible for providing relevant materials and services to the Compensation Committee.

Chapter III Responsibilities and Authorities

Article 12 The main responsibilities and authorities of the Compensation Committee are as follows:

- (I) To consider and draw up the evaluation criteria for directors and senior management members, conduct evaluations and make recommendations;
- (II) To study and review the remuneration policies and plans for directors and senior management members;
- (III) To formulate remuneration policies or structures, establish formulation procedures for formal and transparent remuneration policies, and make recommendations to the Board in accordance with the main scope, responsibilities and importance of the management positions of directors and senior management members and the remuneration level of other relevant positions in the relevant enterprises;
- (IV) To study the assessment standards, performance evaluation procedures, remuneration, reward and punishment measures for directors and senior management members, and to make recommendations;
- (V) To evaluate the performance of the Company's directors and senior management members and conduct performance appraisals on them;
- (VI) To review and approve the remuneration and treatment proposals of directors and senior management members with reference to the Company's business policies, objectives and investment plans;
- (VII) To recommend to the Board the remuneration for individual executive directors and senior management members, which includes non-pecuniary benefits, pension rights and compensation payments, compensation (including compensation for any loss or termination of office or appointment), and make recommendations to the Board as to the remuneration of non-executive directors. The factors considered by the Remuneration Committee may include the remuneration paid by similar companies to the relevant personnel, the time the directors or senior management members have to devote to perform their duties, the specific scope of duties of the directors or senior management members, and the payment for other positions in the Company. In considering and determining the remuneration of directors and senior management members, it shall be ensured that no directors or senior management members or any of their associates determine their own remuneration;
- (VIII) To supervise and inspect the implementation of the Company's remuneration management system, and report to the Board;
- (IX) To consider the remuneration paid by similar companies, the hours and responsibilities required, and the employment conditions of other positions within the Group;
- (X) To review and approve the compensation payable to executive directors and senior officers for their loss or termination of their duties or appointments to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

- (XI) To review and approve the compensation arrangements arising from the dismissal of certain directors or removal of certain directors from office due to the misconduct of the directors, to ensure that the arrangements are in conformity with the terms of the contract or the compensation is reasonable and appropriate;
- (XII) To ensure that any director or any of its associates will not participate in determining his own remuneration;
- (XIII) To review and monitor the training and continuous professional development of the directors and senior management members;
- (XIV) To report their decisions or recommendation to the Board, unless prevented from reporting by law or other restrictions;
- (XV) Other matters prescribed by applicable laws, regulations and the Listing Rules or authorized by the Board.

Article 13 The Compensation Committee shall not formulate remuneration plans or schemes that are detrimental to the interests of shareholders.

Article 14 The remuneration plan for the directors of the Company proposed by the Compensation Committee shall be submitted to the Board for approval and submitted to the general meeting of shareholders for deliberation and approval before implementation. The remuneration distribution plan for the senior management members of the Company shall be submitted to the Board for approval before implementation.

The Compensation Committee shall provide the research and discussions, materials and information to the Board of the Company in the form of reports, recommendations or summaries for the Board to review and approve.

Article 15 The members of the Compensation Committee shall check once a year whether the decision-making procedures for the remuneration of the directors and senior management members conforms to the provisions, whether the basis for determining the remuneration is reasonable, whether it damages the interests of the Company and all shareholders, and whether the disclosure of the remuneration of the directors and senior management members in the annual report is consistent with the actual situation, and issue an inspection report and submit it to the Board.

The Compensation Committee shall consult the Chairman and/or the general manager on the remuneration proposals of other executive directors. The Company shall provide such resources as are necessary for the Committee to perform its duties. The Committee shall be able to seek independent professional advice in performing its duties at the Company's expense where necessary and reasonable.

Article 16 The Compensation Committee shall be invited by the Chairman, or, in the absence of the Chairman, have another member or his/her authorized representative attend the Company's annual general meeting and answer questions at the meeting.

Chapter IV Decision-making Procedures

Article 17 The Board Office shall complete the preparations for the decision-making of the Compensation Committee and provide the relevant materials of the Company:

- (I) The completion of the Company's main financial indicators and business objectives;
- (II) The main responsibilities and scope of work of the senior management members of the Company;
- (III) The completion of the indicators involved in the post-performance evaluation system for directors and senior management members;
- (IV) The business performance of the directors and senior management members in terms of business innovation ability and profit-making ability;
- (V) The relevant calculation basis for formulating the Company's salary distribution plan and distribution method according to the Company's performance.

Article 18 The Compensation Committee's evaluation procedures for directors and senior management members:

- (I) The Compensation Company's directors and senior management members shall report and make self-evaluation to the Committee;
- (II) The Compensation Committee shall evaluate the performance of directors and senior management members in accordance with the performance evaluation standards and procedures;
- (III) The amount of remuneration and reward method for directors and senior management members shall be proposed in accordance with the performance evaluation results of the post and the remuneration distribution policies, and shall be submitted to the Board after being approved by voting.

Chapter V Rules of Procedures

Article 19 Meetings of the Compensation Committee are composed of regular meetings and extraordinary meetings.

Article 20 Compensation Committee meetings are held at least once a year; and extraordinary meetings may be held when the Chairman or two or more committee members propose that it is necessary.

Article 21 The meeting of the Compensation Committee shall be notified to all members and persons invited to attend the meeting by telephone, email or fax five days in advance, and may be notified at any time in case of emergency.

The notice of the meeting shall include the venue, date, time and method of the meeting, as well as the meeting agenda, resolutions to be discussed and relevant information.

Article 22 The meeting of the Compensation Committee shall be attended by the members themselves. If a member is unable to attend the meeting for any reason, he/she may entrust other members in writing to attend and vote on his/her behalf, but the independent non-executive directors may only entrust other independent non-executive directors to attend and vote on their behalf.

Article 23 If a committee member fails to attend the Compensation Committee meeting in person or entrust any other committee member to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board shall remove such committee member.

Article 24 The meeting of the Compensation Committee shall be held only when more than two-third of the committee members are present, and each member shall have one vote.

Article 25 The meeting of the Compensation Committee can be held in the form of on-site meeting, video conference, telephone conference or similar communication equipment.

Article 26 The voting methods of the Compensation Committee meeting shall be voting by show of hands, by poll or by correspondence voting.

Article 27 The secretary of the Board shall attend the meeting of the Compensation Committee, and may, when necessary, invite the directors, supervisors, senior management members or relevant departments of the Company to attend the meeting to give an introduction or express their opinions, but non-committee members shall not have the right to vote on proposals.

Article 28 The Compensation Committee shall vote on the spot, and the Chairman shall announce the statistical results on the spot.

Article 29 The resolutions of the Compensation Committee shall be approved by more than half of all the Committee members.

Article 30 Minutes of the meeting of the Compensation Committee shall be kept, and the committee members present at the meeting shall sign the minutes of the meeting.

Article 31 The resolutions adopted by the Compensation Committee meeting and voting results shall be reported to the Board of the Company in written form.

Article 32 The minutes, resolutions and other relevant documents formed at the meeting of the Compensation Committee shall be kept by the Board Office of the Company in accordance with the Company's file management system for a period of not less than ten years; and it will be issued by the Chairman of the Compensation Committee and distributed to the Board and relevant departments and personnel after the meeting where necessary.

Article 33 The members and non-voting attendees of the meeting shall be obliged to keep the matters discussed at the meeting confidential and shall not disclose relevant information without authorization.

Chapter VI Supplementary Provisions

Article 34 The Compensation Committee shall disclose its terms of reference on the websites of The Stock Exchange of Hong Kong Limited and the Company.

Article 35 The term “more than” in the terms of reference includes the number itself.

Article 36 Any matter not specified in the terms of reference shall be implemented in accordance with relevant national laws, regulations, the Listing Rules and the Articles of Association. In case the terms of reference conflicts with laws, regulations, the Listing Rules promulgated by the State in the future or the Articles of Association amended by legal procedures, it shall be implemented in accordance with relevant national laws, regulations, the Listing Rules and the Articles of Association, and shall be amended in accordance with them and submitted to the Board for review and approval.

Article 37 The terms of reference shall come into force and be implemented after being reviewed and approved by the Board of the company. The provisions related to post-listing corporate governance shall be effective and implemented from the date of the Company’s initial public offering and listing in Hong Kong.

Article 38 The terms of reference shall be interpreted by the Board of the Company.