

BUSY MING GROUP CO., LTD.

Rules of Procedure for the Remuneration Committee of the Board

Chapter 1 General Provisions

Article 1 To further establish and improve the appraisal and remuneration system for directors and senior management of the Company and enhance its corporate governance structure, the Company hereby establishes the Remuneration Committee of the Board and formulates these rules of procedure (hereinafter the “Rules of Procedure”), in accordance with the Company Law of the PRC (hereinafter the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter the “Listing Rules of the Hong Kong Stock Exchange”) and its appendices, the Articles of Association of Busy Ming Group Co., Ltd. (hereinafter the “Articles of Association”), and other relevant regulation.

Article 2 The Remuneration Committee is a specialized working committee established by the Board in accordance with the resolutions of the Board, which is mainly responsible for formulating the assessment standards for directors and senior management of the Company and conducting assessment thereon, and formulating and reviewing the remuneration policies and proposals for the directors and senior management of the Company.

Article 3 Directors referred herein refer to the directors who receive remuneration from the Company; and senior management refers to the general manager appointed by the Board and other senior management as required by the Articles of Association.

Chapter 2 Composition

Article 4 The Remuneration Committee shall comprise at least three directors, the majority of whom shall be independent non-executive directors.

Article 5 The members of the Remuneration Committee are elected among the directors and appointed by the Board.

Article 6 The Remuneration Committee shall have one (1) chairperson, who shall be an independent non-executive director and shall be responsible for convening and presiding over the work of the Committee. The chairperson shall be elected among the members and reported to the Board for approval.

Article 7 The term of office of the Remuneration Committee shall be identical to that of the Board. A member of the Committee shall not, before the expiry of his/her term of office, be removed without cause unless he/she is prohibited from holding office under the Company Law, Articles of Association, the Listing Rules of the Hong Kong Stock Exchange or the Rules of Procedure. If a member ceases to be a director of the Company or is no longer fit to be a Committee member (e.g. a member who does have the status of an independent non-executive director no longer meets the independence requirements of the Listing Rules of the Hong Kong Stock Exchange) during the term of office, he/she shall automatically resign from the Remuneration Committee, and the position so vacated shall be filled by the Committee according to the provisions of Article 4 to 6 above.

Article 8 Where the number of members of the Remuneration Committee falls below the required minimum number specified in the Listing Rules of the Hong Kong Stock Exchange due to the resignation or dismissal or other reasons, the Board shall, according to the Listing Rules of the Hong Kong Stock Exchange, immediately state relevant details and reasons for failure to meet the requirement by announcement, and fill the vacancy according to the provisions of the Listing Rules of the Hong Kong Stock Exchange and Articles 4 to 7 of the Rules of Procedure within three months from the date when the aforementioned requirements are not met. The term of office for the member filling the vacancy shall expire at the end of the term when he/she serves as a director.

Article 9 A member of the Remuneration Committee may tender his/her resignation before the expiry of his/her term of office. The relevant requirements under laws, regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Associations in relation to the resignation of directors or independent non-executive directors shall be applicable to the resignation by a member.

Article 10 The Remuneration Committee may designate relevant departments and personnel to assist in its work as required.

Chapter 3 Duties and Authorities

Article 11 The functions and powers of the Remuneration Committee shall include those set out in the Company Law, the Articles of Association, the Listing Rules of the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the shares of the Company are listed.

Article 12 The Remuneration Committee is responsible for formulating the assessment standards for directors and senior management of the Company and conducting assessment thereon, formulating and reviewing the remuneration policies and proposals for the directors and senior management of the Company, and making recommendations to the Board on the following matters:

- (1) study the assessment standards for directors and senior management, conduct assessment thereon and make corresponding recommendations;
- (2) study and review the remuneration policies and proposals for the directors and senior management of the Company in accordance with the corporate policies and objectives set by the Board and the positions, duties and scope of work of directors and senior management with reference to the remuneration levels of relevant positions in the same region, of the same industry or among the competitors, and make recommendations to the Board on the establishment of formal and transparent procedures;
- (3) review the performance of duties by the directors and senior management of the Company every year and conduct annual performance appraisal on them, formulate annual remuneration plans and further reward and punishment plans based on the appraisal results, and submit them to the Board for consideration and monitor specific implementation of the plans;
- (4) review and approve the remuneration proposals of the management with reference to the corporate policies and objectives set by the Board;

- (5) be responsible for evaluating the remuneration system of the Company and reviewing and supervising its implementation, and review and approve the remuneration proposals of the management in accordance with the corporate policies and objectives set by the Board;
- (6) determine the remuneration packages of individual executive directors and senior management with delegation of authority from the Board; or make recommendations to the Board on the remuneration packages of individual executive directors and senior management. Such remuneration packages include non-pecuniary benefits, pension rights and compensation amounts (including compensation for loss or termination of office or appointment);
- (7) make recommendations to the Board on the remuneration of non-executive directors;
- (8) supplement and revise the remuneration system and remuneration structure continuously according to the development of the market and the Company;
- (9) take into account the remuneration paid by similar companies, the required time, duties and responsibilities and employment conditions of other positions within the Group;
- (10) review and approve compensation payable to the executive directors and senior management for loss or termination of office or appointment to ensure that such compensation is consistent with the terms of the contract, and if inconsistent with the terms of the contract, the compensation must also be fair and reasonable and not to be excessive;
- (11) review and approve compensation arrangements in relation to the dismissal or removal of directors due to misconduct to ensure that such arrangements are consistent with the terms of the contract, and if inconsistent with the terms of the contract, such compensation must also be reasonable and appropriate;
- (12) ensure that no director and any of his/her associates shall determine his/her own remuneration;
- (13) review and/or approve the matters relating to the share schemes as set out in the Listing Rules of the Hong Kong Stock Exchange;
- (14) consider and implement such other matters as defined or delegated by the Board from time to time or as required by the Listing Rules of the Hong Kong Stock Exchange from time to time;
- (15) other matters authorized by the Board;
- (16) other matters as stipulated in the laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and Articles of Association.

Article 13 If recommendations of the Remuneration Committee are not adopted or fully adopted by the Board, the opinions of the Remuneration Committee and the specific reasons thereof shall be recorded in the resolutions of the Board.

Article 14 The remuneration plans for the directors of the Company proposed by the Remuneration Committee must be approved by the Board and submitted to the general meeting for consideration and approval before they can be implemented; the remuneration distribution plans for the senior management of the Company must be submitted to the Board for approval.

Article 15 The appraisal procedures of directors and senior management carried out by the Remuneration Committee:

- (1) the directors and senior management of the Company shall report on the performance of their duties to the Remuneration Committee of the Board and conduct self-evaluation;
- (2) the Remuneration Committee shall carry out performance appraisals of the directors and senior management according to the performance appraisal standards and procedures;
- (3) a proposal on the amount of remuneration and method of reward for the directors and senior management shall be made based on the results of work performance appraisals and according to the remuneration distribution policies and, after being approved by voting, shall be submitted to the Board of the Company.

Chapter 4 Rules of Procedure

Article 16 The Remuneration Committee shall convene at least one meeting every year, and a notice of meeting shall be served to all members three (3) days prior to convening the meeting. The meeting shall be presided over by the chairperson. If the chairperson is unable to attend the meeting, he or she may appoint another committee member (who shall be an independent non-executive director) to preside over the meeting.

Article 17 The meetings of the Remuneration Committee shall be held only in the presence of two-thirds (including two-thirds) or more of the members. Voting on the resolutions shall be one person, one vote. The resolutions made by the Remuneration Committee shall be passed by more than half of all members.

Article 18 Meetings of the Remuneration Committee may be convened either in person or by communication. Voting shall be conducted by ballot.

Article 19 The Remuneration Committee, when necessary, may invite the directors and senior management of the Company to attend its meetings.

Article 20 The Remuneration Committee should be provided with adequate resources to perform its responsibilities. Where required, the Remuneration Committee may engage intermediaries to provide professional advice for its decision-making, with the costs borne by the Company.

Article 21 The procedures for convening meetings of the Remuneration Committee, the manner of voting, and the resolutions passed at such meetings must comply with the relevant laws, regulations, securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association, and the provisions of the Rules of Procedure.

Article 22 When the Remuneration Committee discusses matters concerning its members, the individuals concerned shall withdraw from the meeting.

Article 23 The Remuneration Committee should keep the minutes of the meetings. The minutes of the meetings shall be signed by the members present at the meetings, and shall be kept by the secretary of the Board of the Company. The draft and final versions of the minutes shall be delivered to all members within a reasonable time after conclusion of such meetings with the draft version to be used for the expression of opinions by the members and the final version to be used as a record. A director of the Company may inspect the meeting minutes at a reasonable time upon giving reasonable notice.

Article 24 The resolutions approved and the voting results reached at the meetings of the Remuneration Committee shall be reported in written form to the Board of the Company.

Article 25 All members attending the meetings of the Remuneration Committee are obliged to keep confidential the matters discussed at the meeting and shall not disclose relevant information without authorization.

Chapter 5 Supplementary Provisions

Article 26 The formulation, amendment and interpretation of the Rules of Procedure should be vested in the Board of the Company.

Article 27 Matters not covered herein shall be subject to relevant national laws and regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association in force at that time. If the Rules of Procedure conflict with relevant national laws and regulations, the Listing Rules of the Hong Kong Stock Exchange in force at that time, or the amended Articles of Association according to legal procedure, such laws and regulations, securities regulatory rules of the place where the shares of the Company are listed, and the provisions of the Articles of Association shall apply, and the Rules of Procedure shall be amended forthwith and submitted to the Board for consideration and approval.

Article 28 The Rules of Procedure shall, upon the approval of the Board, come into force and effect from the date when the initial public offering of H shares of the Company is filed with the CSRC and listed on The Stock Exchange of Hong Kong Limited.