RECONOVA TECHNOLOGIES CO., LTD.

Terms of Reference for the Remuneration Committee of the Board of Directors

CHAPTER I General Provisions

Article 1 To further establish and improve the detailed rules for the performance assessment and remuneration management of the Directors and senior management of Reconova Technologies Co., Ltd. (the "**Company**"), and to improve the corporate governance structure of the Company, pursuant to the provisions of the Company Law of the People's Republic of China (the "**Company Law**"), the Trial Measures for the Administration on Overseas Securities Offering and Listing by Domestic Enterprises, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**") and other relevant laws, administrative regulations, departmental rules, regulatory documents, the Articles of Association of Reconova Technologies Co., Ltd. (the "**Articles of Association**"), and the Rules of Procedure of the Board of Directors of Reconova Technologies Co., Ltd., the Company hereby establishes the Remuneration Committee of the Board of Directors and formulates these terms of reference.

Article 2 The Remuneration Committee is a special working body established by the Board of Directors in accordance with the Articles of Association and the Hong Kong Listing Rules. It is primarily responsible for studying the assessment criteria for the Company's Directors and senior management and conducting performance assessments, as well as studying and reviewing the remuneration policies and schemes for the Company's Directors and senior management. The Committee is accountable to the Board of Directors and shall report its work to the Board of Directors.

Article 3 For the purpose of these working rules, "Directors" refer to the directors of the Company who receive remuneration from the Company; "senior management" refers to the general manager, the person in charge of financial affairs, the secretary of the Board of Directors, and other senior management as recognised by the Board of Directors or as defined in the Hong Kong Listing Rules as amended from time to time.

CHAPTER II Composition of the Committee

Article 4 The Remuneration Committee shall consist of three Directors, with independent non-executive Directors holding a majority of the memberships.

Article 5 Members of the Remuneration Committee shall be nominated by the chairperson of the Board of Directors, more than one-half of the independent non-executive Directors, or more than one-third of all Directors, and shall be elected by a majority of the Board of Directors.

Article 6 The Remuneration Committee shall have a chairperson, who shall be an independent non-executive Director and shall be responsible for presiding over the work of the Committee. The chairperson shall be elected by a majority of the Board of Directors.

Article 7 The term of office of members of the Remuneration Committee shall be the same as that of the Directors. A member whose term expires shall be eligible for re-election upon the expiry of his/her term. If, during the term of office, a member ceases to serve as a Director of the Company or is no longer suitable to serve as a member (for example, if a member who is required to be an independent non-executive Director no longer meets the independence requirements under the Hong Kong Listing Rules), such member shall automatically lose his/her membership, and the Board of Directors shall, within three months, fill the vacancy in accordance with Articles 4 to 6 above.

Article 8 A working group shall be established under the Remuneration Committee as its standing executive body, responsible for providing information relating to the Company's operations and the personnel being assessed, and for preparing meetings of the Remuneration Committee and executing the relevant resolutions of the Remuneration Committee. Members of the working group need not be members of the Remuneration Committee.

CHAPTER III Duties and Authorities of the Committee

Article 9 The major duties and authorities of the Committee are:

(I) to study the assessment criteria for the Directors and senior management, conduct assessments and make recommendations;

(II) to study and review the remuneration policies and schemes for the Company's Directors and senior management, taking into account the corporate policies and objectives set by the Board of Directors, the positions, duties and scope of work of the Directors and senior management, and the remuneration levels of comparable positions in the same region, the same industry or among competitors, and to make recommendations to the Board of Directors on the establishment of formal and transparent procedures for setting remuneration;

(III) to annually review the performance of duties by the Company's Directors and senior management, conduct annual performance appraisals, and based on the assessment results, formulate annual remuneration plans and further incentive or disciplinary plans, submit them to the Board of Directors for consideration, and supervise the implementation of such plans;

(IV) to review and approve the remuneration proposals for the management with reference to the corporate policies and objectives set by the Board of Directors;

(V) to be responsible for evaluating the Company's remuneration system, reviewing and supervising its implementation, and reviewing and approving the remuneration proposals for the management in accordance with the corporate policies and objectives set by the Board of Directors;

(VI) to be delegated with the responsibility by the Board of Directors to determine the remuneration packages of individual executive Directors and senior management, or to recommend to the Board of Directors the remuneration packages of individual executive Directors and senior management. Such remuneration packages include non-monetary benefits, pension entitlements and compensation amounts (including compensation for loss or termination of office or appointment);

(VII) to make recommendations to the Board of Directors on the remuneration of non-executive Directors;

(VIII) to continuously supplement and revise the remuneration system and structure based on market conditions and the Company's development;

(IX) to take into account the remuneration paid by comparable companies, the time commitment 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 management in connection with any loss or termination of office or appointment, to ensure that such compensation is consistent with contractual terms; if not consistent with contractual terms, the compensation shall also be fair, reasonable and not excessive;

(XI) to review and approve the compensation arrangements for the dismissal or removal of a Director due to misconduct, to ensure that such arrangements are consistent with contractual terms; if not consistent with contractual terms, the relevant compensation shall also be reasonable and appropriate;

(XII) to ensure that no Director or any of his/her associates determines his/her own remuneration;

(XIII) to review and/or approve matters relating to share schemes as described in Chapter 17 of the Hong Kong Listing Rules;

(XIV) to consider and carry out other matters as may be defined or delegated by the Board of Directors from time to time or as may be specified by the Listing Rules from time to time; and

(XV) other duties as stipulated in the Articles of Association and other matters as authorised by the Board of Directors.

Article 10 The Remuneration Committee is responsible to the Board of Directors. Proposals of the Remuneration Committee shall be submitted to the Board of Directors for consideration and decision.

Article 11 The remuneration plan for the Directors of the Company proposed by the Remuneration Committee must be submitted to the Board of Directors for approval and thereafter to the Shareholders' meeting for consideration and approval before implementation; the remuneration distribution plan for the senior management of the Company must be submitted to the Board of Directors for approval before implementation.

Article 12 The Board of Directors has the power to veto any remuneration plan or scheme that harms the interests of shareholders.

CHAPTER IV Decision-Making Procedures

Article 13 The working group under the Remuneration Committee shall be responsible for the preparatory work prior to decision-making by the Remuneration Committee and shall provide the following information relating to the Company:

(I) the completion status of the Company's key financial indicators and operating indicators;

(II) the scope of work and principal responsibilities of the senior management;

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

(IV) the business innovation capability and profit-generating capability of the Directors and senior management in terms of operating performance; and

(V) the relevant calculation basis for formulating the Company's remuneration distribution plan and distribution method based on the Company's performance.

Article 14 The performance evaluation procedures of the Remuneration Committee for Directors and senior management are as follows:

(I) The Directors and senior management of the Company shall present their work reports and self-assessments to the Remuneration Committee of the Board of Directors;

(II) The Remuneration Committee shall conduct performance evaluations of the Directors and senior management in accordance with the performance evaluation criteria and procedures;

(III) based on the results of the job performance evaluation and the remuneration distribution policy, the Committee shall propose the amount of remuneration and reward methods for the Directors and senior management, and report to the Board of Directors of the Company after approval by vote.

Article 15 If necessary, the Remuneration Committee may engage an intermediary to provide professional advice for its decision-making, and the relevant reasonable expenses shall be borne by the Company. The Board of Directors shall ensure that the Remuneration Committee is provided with sufficient resources to perform its duties.

CHAPTER V RULES OF PROCEDURES

Article 16 Meetings of the Remuneration Committee shall consist of regular meetings and extraordinary meetings. The Remuneration Committee shall hold at least one regular meeting each year, and notice shall be given to all members five days prior to the holding of a regular meeting. The meeting shall be convened and presided over by the chairperson of the Committee. If the chairperson is unable to perform his/her duties, he/she may appoint another member (who is an independent non-executive Director) to convene and preside over the meeting.

Notice of an extraordinary meeting of the Remuneration Committee shall be given to all members two days prior to the holding of the meeting. With the unanimous consent of all members, the aforementioned notice period may be waived.

The notice shall be given by personal delivery, facsimile, letter, email, telephone or such other means.

Article 17 The notice of a meeting of the Remuneration Committee shall include at least the following:

(I) the time and place of the meeting;

(II) the duration of the meeting;

(III) the topics to be discussed at the meeting;

(IV) the contact person and contact details for the meeting;

(V) the date of the meeting notice.

If the notice is given by telephone, it shall include at least the items (I) and (II) above, a written record shall be made, and the meeting documents shall be sent to all members prior to the meeting.

Article 18 Meetings of the Remuneration Committee may be held in the form of physical meetings, and voting shall be conducted by named ballot voting. With the unanimous consent of all members, the meeting may be held and resolutions may be adopted by means of video, telephone or written circulation.

Article 19 Meetings of the Remuneration Committee shall be held only if at least two-thirds of its members (including members who have appointed other members to attend the meeting by means of a written power of attorney) are present. Each member shall have one vote. A resolution of the meeting shall require the affirmative vote of more than half of all members.

Article 20 If a member of the Remuneration Committee appoints another member to attend the meeting and exercise voting rights on his/her behalf, such member shall submit a power of attorney to the meeting chairperson. The power of attorney shall specify the name of the proxy, the matters subject to proxy, the scope of authority and the validity period, and shall be signed or sealed by the principal. Where voting matters are involved, the principal shall specify in the power of attorney his/her intention to vote for, against or abstain on each matter. A member shall not issue or accept a proxy without voting intention, a general proxy, or a proxy with an unclear scope of authority. A valid power of attorney shall be submitted to the meeting chairperson no later than prior to the vote at the meeting.

Article 21 If a member of the Remuneration Committee neither attends a meeting in person nor appoints another member to attend the meeting on his/her behalf, such member shall be deemed not to have attended the relevant meeting. If a member fails to attend two consecutive meetings of the Remuneration Committee without appointing another member to attend on his/her behalf, such member shall be deemed unable to properly perform his/her duties, and the Board of Directors may remove such member from the Committee.

Article 22 After the voting by the attending members is completed, the voting results of each member shall be promptly collected and counted. For meetings held physically, the meeting chairperson shall announce the counted results immediately; for voting conducted by non-physical meeting format, the meeting chairperson shall notify each member of the voting results in writing within three days after the expiration of the voting deadline.

Article 23 Members of the working group may attend the meetings of the Remuneration Committee, and if necessary, Directors and senior management of the Company may be invited to attend the meetings.

Article 24 When a meeting of the Remuneration Committee discusses a topic concerning a member of the Committee, the relevant member shall recuse himself/herself.

Article 25 The convening procedures, voting methods, and the remuneration policies and distribution plans adopted by the Remuneration Committee must comply with the provisions of relevant laws, administrative regulations, other regulatory documents, the Hong Kong Listing Rules, the Articles of Association, and these terms of reference.

Article 26 Minutes of the meeting of the Remuneration Committee shall be kept, which shall include any concerns raised or dissenting opinions expressed by Directors. The draft and final version of the meeting minutes shall be sent to all attending members within a reasonable time after the meeting, with the draft for comment and the final version for record. The members attending the meeting shall sign the meeting minutes. The meeting minutes shall be kept by the secretary of the Board of Directors of the Company and shall be preserved for no less than 10 years during the existence of the Company.

Article 27 The proposals passed and the voting results of the Remuneration Committee meeting shall be reported to the Board of Directors of the Company in writing.

Article 28 The members attending the meeting and the persons attending have a duty of confidentiality with respect to the matters discussed at the meeting and shall not disclose relevant information without authorization.

CHAPTER VI ANNUAL SHAREHOLDERS' MEETING

Article 29 The chairperson of the Committee shall attend the annual shareholders' meeting of the Company and shall prepare to answer any questions from shareholders regarding the matters of the Remuneration Committee.

Article 30 If the chairperson of the Committee is unable to attend the annual shareholders' meeting of the Company, he/she must arrange for another member of the Committee to attend the meeting. Such person shall prepare to answer questions from shareholders at the annual shareholders' meeting concerning the work of the Committee.

CHAPTER VII SUPPLEMENTAL PROVISIONS

Article 31 Unless otherwise specified, the terms used in these terms of reference shall have the same meanings as those terms in the Articles of Association.

Article 32 As used in these terms of reference, the term "more than" or "above" includes the base number; "within" includes the base number; "more than" and "less than" do not include the base number.

Article 33 Matters not covered by these terms of reference shall be handled by the Company in accordance with relevant laws, administrative regulations, departmental rules, other regulatory documents, the Hong Kong Listing Rules, the Articles of Association, resolutions of the Shareholders' meeting of the Company, or other relevant rules and regulations. If any provision of these terms of reference is inconsistent with relevant laws, administrative regulations, the Hong Kong Listing Rules, or the Articles of Association as amended through legal procedures, such laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association shall prevail.

Article 34 These terms of reference shall be formulated and amended by the Board of Directors, and the Board of Directors shall have the power to interpret these terms of reference.

Article 35 These terms of reference shall take effect and be implemented upon being reviewed and approved by the Company's Board of Directors and on the date when the overseas-listed foreign shares (H Shares) of the Company issued in its initial public offering are listed and traded on The Stock Exchange of Hong Kong Limited.

Reconova Technologies Co., Ltd.