

LEEPORT (HOLDINGS) LIMITED
(incorporated in Bermuda with limited liability)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Constitution

The board of directors (the “Board”) of Leeport (Holdings) Limited (the “Company”), together with its subsidiaries (the “Group) has resolved to establish a committee of the Board known as the Remuneration Committee (the “Committee”) on 10 September 2005.

2. Membership

The members of the Committee shall be appointed by the Board from amongst the directors of the Company and the Committee shall consist of not less than three members, the majority of which shall be independent non-executive directors. The Committee shall be chaired by an independent non-executive director.

3. Chairman and Secretary of Committee

The chairman of the Committee shall be appointed by the Board. The company secretary shall be the secretary of the Committee. The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary of the Committee.

4. Quorum

A quorum shall be 2 members.

5. Frequency of Meeting

Meeting shall be held at least once a year. The Committee members may also call any meetings at any time when necessary or desirable.

6. Notice of Meetings

Notice of meetings shall be given to all members of the Committee at least two days before the meeting.

This notice may be waived from time to time upon the unanimously agreement by the Committee members.

7. Authority

The Committee is authorized 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 Group (including the members of the Board).

The Committee is authorized by the Board to consult the chairman and/or chief executive about their remuneration proposals for other executive directors of the Company, if any, and, at the expenses of the Company, have access to independent professional advice if necessary.

The Committee is authorized by the Board to make available its terms of reference, explaining its role and the authority delegated to it by the Board.

8. Duties

The duties of the Committee shall include, but shall not be limited to the following:

- i. To make recommendations to the Board on the Company's policy and structure for all directors' of the Company and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
- ii. to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- iii. To make recommendations to the board on the remuneration packages of individual executive directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- iv. to make recommendations to the Board on the remuneration of non-executive directors;
- v. To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.
- vi. To review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.
- vii. To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and

- viii. To ensure that no director or any of his associates is involved in deciding his own remuneration.

For the purpose of this paragraph 8, “senior management” shall refer to the same category of persons as referred to in the Company’s annual report and is required to be disclosed under Appendix 16 of the Listing Rules.

9. Reporting procedures

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.