

CHINA AGROTECH HOLDINGS LIMITED

浩倫農業科技集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01073)

Remuneration Committee - Terms of Reference

1. Constitution

1.1 The Remuneration Committee is a committee established by the Board of Directors (the “Board”) of China Agrotech Holdings Limited (the “Company”) on 1 July 2005.

2. Membership

2.1 Members of the Remuneration Committee (the “Members”) shall be appointed by the Board from time to time.

2.2 Remuneration Committee’s majority Members must be Independent Non-executive Directors.

2.3 The Chairman of the Remuneration Committee shall be appointed by the Board and must be an Independent Non-executive Director.

2.4 The Board shall from time to time vary the composition of the Remuneration Committee as may be required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as modified from time to time or the rules of any of the stock exchange in respect of which the shares of the Company are listed or quoted, or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time.

3. Secretary

3.1 The Company Secretary of the Company shall be the secretary of the Remuneration Committee.

* For identification purpose only

4. Meetings

- 4.1 The Remuneration Committee shall meet at least once in each financial year. Additional meetings shall be held if the Remuneration Committee shall so request.
- 4.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all the Members unanimously waive such notice. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 4.3 An agenda and accompanying papers should be sent in full to all the Members in a timely manner and at least 3 days before the intended date of a meeting of the Remuneration Committee (or other agreed period by the Members).
- 4.4 The quorum for meetings of the Remuneration Committee shall be two Members.
- 4.5 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 4.6 Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- 4.7 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.

5. Attendance at Meetings

- 5.1 At the invitation of the Remuneration Committee, the Chairman of the Board, external advisers and other persons may attend all or part of any meetings.
- 5.2 Only the Members are entitled to vote at the meetings.

6. Annual General Meeting

- 6.1 The Chairman of the Remuneration Committee or in his/her absence, another Member of the Remuneration Committee, shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and their responsibilities.

7. Duties, Powers and Functions

The Remuneration Committee shall have the following duties, powers and functions:

- 7.1 to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 7.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objections;
- 7.3 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,
- 7.4 to make recommendations to the Board on the remuneration of Non-executive Directors.
- 7.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 7.6 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 relevant contractual terms and is otherwise fair and not excessive;

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- 7.7 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;
- 7.8 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration; and
- 7.9 to do any such things to enable the Remuneration Committee to discharge its duties conferred on it by the Board.

8. Reporting Procedures

- 8.1 Draft and final versions of minutes shall be sent to all the Members for their comment and records respectively, within a reasonable period of time after the meeting. Minutes shall be kept by the secretary of the Remuneration Committee. Such minutes shall be open for inspection by Directors of the Company.
- 8.2 The Remuneration Committee shall report to the Board on their decisions or recommendations.

9 Authority

- 9.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive about their remuneration proposals for other Executive Directors.
- 9.2 The Remuneration Committee is authorized by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.
- 9.3 The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

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9.4 The Remuneration Committee is authorized to obtain, at the expense of the Company, independent professional advice on matters within its terms of reference.

Note: Arrangement to seek independent professional advice could be made through the Company Secretary.

10. Publication of the Terms of Reference

10.1 The terms of reference will be posted on the websites of the Company and the Stock Exchange.

Date : 28 March 2012