



TOM Group Limited

TOM集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2383

(“Company”)

**TERMS OF REFERENCE
OF
REMUNERATION COMMITTEE**

Objective

The Remuneration Committee is to assist the board of directors of the Company (“Board”) to administer and develop a fair and transparent procedure for setting policy on the remuneration of Directors and senior management of the Company and for determining and approving their remuneration packages.

Membership

1. The Remuneration Committee shall consist of non-executive Directors appointed by the Board, a majority of the members (“Members”) shall be independent non-executive Directors.
2. All Members shall be appointed by the Board and can be removed by the Board at its sole discretion.
3. The Chairman of the Remuneration Committee shall be appointed by the Board and shall be an independent non-executive Director.
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 as modified from time to time (“Listing Rules”) or the rules of any other 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.
5. The Company Secretary of the Company or his/her delegate shall be the secretary of the Remuneration Committee.

Duties, powers and functions

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

1. to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
2. to have the delegated responsibilities to review and determine the remuneration packages of individual executive Directors and senior management, including basic salaries, deferred compensation, stock options, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
3. to review and approve performance-based remuneration of the management by reference to corporate goals and objectives resolved by the Board from time to time;
4. to review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive;
5. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
6. to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
7. to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under the Listing Rules;
8. to administer the Pre-IPO Share Option Plan and any share option schemes adopted by the Company (collectively, "Share Option Schemes"). For the purpose of the Share Option Schemes, the Remuneration Committee shall have the following powers:
 - (i) the grant of options to subscribe for shares of the Company ("Shares") thereunder;
 - (ii) the allotment, issue and dealing with Shares pursuant to the exercise of subscription rights under any options which may be granted under the

Share Option Schemes;

- (iii) the administration of the Share Option Schemes in accordance with its terms and conditions; and
 - (iv) the taking of all such steps as the Remuneration Committee considers necessary or desirable to administer the Share Option Schemes;
9. to review from time to time as appropriate these Terms of Reference and recommend to the Board any necessary changes.

Authority

1. The Remuneration Committee shall report directly to the Board.
2. The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive Officer about their proposals relating to the remuneration of other executive Directors.
3. The Remuneration Committee is authorised by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.
4. The Remuneration Committee is authorised to obtain independent professional advice and to secure assistance from external parties with relevant experience and expertise where it considers necessary. The Remuneration Committee shall have the sole authority to approve all reasonable related fees and terms of engagement.
5. The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

Meetings

1. The Remuneration Committee shall meet at least once every year. Additional Meetings shall be held as the work of the Remuneration Committee demands.
2. The quorum of a Meeting of the Remuneration Committee shall be any two Members.
3. Resolutions of the Remuneration Committee shall be passed by a majority of votes which could also be passed by way of unanimous written resolutions. Meetings could be held in person, by telephone or by video conference.
4. Notice of any Meetings has to be given at least 48 hours prior to any such Meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a Meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned Meetings is not required if adjournment is for less than 48 hours.

5. The Remuneration Committee may, from time to time, invite the executive Directors and advisers to the Meeting, including but not limited to external advisers or consultants to advise its Members.
6. Full minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the Meeting. Such minutes shall be open for Directors' inspection.

Annual General Meeting

The Chairman of the Remuneration Committee or in his/her absence, another Member (who must be an independent non-executive Director) 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.

Publication of the Terms of Reference

The Terms of Reference will be posted on the respective websites of the Company and the Hong Kong Exchanges and Clearing Limited. A copy of the Terms of Reference will be made available to any person without charge upon written request made to the Company Secretary.

1 January 2012

**for identification purpose*