

NetDragon Websoft Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(hereinafter the “**Company**”)

(Approved by the Board on 22 May 2008 as amended on 26 March 2012 and
28 December 2022)

Remuneration Committee – Terms of Reference

1. Membership

- 1.1. The Remuneration Committee shall be appointed by the Board.
- 1.2. The majority of the members of the Remuneration Committee (the “Members”) shall be independent non-executive directors (“INEDs”).
- 1.3. The chairman of the Remuneration Committee (the “Chairman”) shall be appointed by the Board and must be an INED.

2. Secretary

- 2.1. The company secretary of the Company, or any person delegated by him/her, shall be the secretary of the Remuneration Committee.
- 2.2. The Remuneration Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Remuneration Committee.

3. Meetings

- 3.1. The Remuneration Committee shall meet at least once a year.
- 3.2. Notice of at least 14 days should be given for any meeting, unless such notification is waived by all Members. Notwithstanding the notification period, the attendance of the Member at the meeting would deem to be treated as the waiver of the required notification requirement. If the follow up meeting takes place within 14 days after the meeting, then no notification is required for such follow up meeting.
- 3.3. The quorum necessary for the transaction of business of the Remuneration Committee shall be two Members, one of whom must be an INED.
- 3.4. Meetings can be attended in person or via electronic means including telephonic or videoconferencing. The Members can attend the meeting via telephonic or any similar communication device (all persons attending such meeting should be able to hear from such Member via such communication device).
- 3.5. Resolutions of the Remuneration Committee shall be passed by a majority of votes.
- 3.6. 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.

- 3.7. Minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes of the meetings shall be circulated to all Members for their comment and records, within a reasonable period of time after the meeting. Such minutes shall be open for directors' inspection.

4. Meeting Attendance

- 4.1. At the invitation of the Remuneration Committee, the chairman of the Board and/or Managing Director or Chief Executive Officer, external advisers and other persons may be invited to attend all or part of any meeting.
- 4.2. Only Members are entitled to vote at the meetings.

5. Annual General Meeting

- 5.1. The Chairman or in his/her absence, one of the Members (who must be an INED), 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.

6. Duties, Power and Discretion

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

- 6.1. 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;
- 6.2. to review and determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management with reference to the corporate goals and objective. This shall include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 6.3. to make recommendations to the Board on remuneration of non-executive directors;
- 6.4. in the determination of remuneration policy and packages, shall consider salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the group and in the market ;
- 6.5. to review and approve the 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;
- 6.6. 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;
- 6.7. to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;

- 6.8. to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; and
- 6.9. to advise shareholders on whether the terms of any service contracts of directors that require shareholders' approval under rule 13.68 of the Listing Rules are fair and reasonable, whether such contracts are in the interest of the Company and its shareholders as a whole and advise shareholders on how to vote.

7. Reporting Responsibilities

- 7.1. The Remuneration Committee shall report to the Board on its decisions or recommendations.

8. Authority

- 8.1. The Remuneration Committee shall consult the chairman of the Board and/or Chief Executive Officer about their remuneration proposals for other executive directors and senior management.
- 8.2. 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.
- 8.3. The Remuneration Committee is authorised by the Board to have access to independent professional advice at the Company's expense if necessary.
- 8.4. The Remuneration Committee shall be provided with sufficient resources to perform its duties.