

Remuneration Management Policy for Directors, Supervisors and Senior Executives

Article 1

This policy has been developed in conformity with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and other pertinent laws and regulations. This policy has been tailored to the specific circumstances of GCL Technology Holdings Co., Ltd. (the "Company") with the objective of enhancing the remuneration management of directors, supervisors, and senior executives. The aim is to establish and improve incentive and restraint mechanisms for these individuals, elevate the Company's management standards, facilitate the accomplishment of strategic and operational objectives, and ensure the company's long-term sustainable development.

Article 2

Scope of application: This policy applies to the Company's internal directors, supervisors, and senior executives.

Article 3

The remuneration management of internal directors, supervisors and senior executives shall comply with the following principles:

1. Principle of determining remuneration by position: The remuneration for each position within the Company reflects the value of that position to the Company and encompasses the unity of "responsibility, power, and benefit";
2. The remuneration structure is intricately linked to both the Company's overall performance and individual contributions, as well as the long-term development of the Company and the interests of its shareholders. This approach is aligned with established performance evaluation standards, procedures, and key evaluation systems;

3. The principle of aligning personal remuneration with the long-term interests of the Company;
4. The principle of giving equal consideration to incentives and constraints, and ensuring fair rewards and penalties.

Article 4

The structure of remuneration for directors, supervisors, and senior executives in the Company primarily comprises basic pay and performance-based pay. Basic pay is established annually, considering the main scope of responsibilities, the significance of the position, and the market remuneration level for comparable roles;

Performance-based remuneration is determined by the Company's performance evaluation standards, procedures, main evaluation system, rewards and penalties, and annual target performance bonuses. It is contingent upon the Company's annual operating performance and is disbursed at the conclusion of the year based on the evaluation outcomes of the Company's Remuneration Committee for the year.

The Company has the option to provide medium- and long-term incentives to key employees, such as internal directors, supervisors, and senior management, in the form of restricted stocks, options, and employee stock ownership plans. This is done in compliance with applicable laws and regulations and to address the incentive requirements.

Article 5

The Company's Remuneration Committee determines the remuneration and benefits of directors, supervisors, and senior executives. Upon their commencement with the Company, these individuals' remuneration is determined based on their professional experience and prevailing market remuneration standards.

Furthermore, the Remuneration Committee conducts annual performance appraisals to evaluate the duties and contributions of directors, supervisors, and senior executives.

The annual performance assessment of directors, supervisors and senior executives focus on the completion of a range of key performance indicators, encompassing the Company's operating indicators (annual revenue, net profit) and ESG indicators (energy consumption, carbon emissions).

The Remuneration Committee is responsible for evaluating and adjusting the remuneration packages of directors, supervisors, and senior executives. This evaluation is based on assessment results and factors such as company-paid remuneration, time commitments, and responsibilities.

In order to enhance the incentive and constraint mechanism, the Company has implemented a clawback penalty system. This means that in the event of major mistakes or disciplinary violations by directors, supervisors, or senior executives that have an adverse impact on the Company's sustainable development, the Company reserves the right to reclaim any performance-based compensation that has been granted.

Article 6

The policy shall be interpreted and revised by the Company's Remuneration Committee and implemented following approval through the Company's internal procedures.

Article 7

If any issues are not addressed by this system, they will be managed in accordance with the applicable national laws, regulations, and the Company's articles of association.