



M DREAM INWORLD LIMITED

聯夢活力世界有限公司*

(the "Company")

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8100)

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

(Adopted by the Company pursuant to the Board resolution passed on 1 February 2007 and revised on 27 March 2012)

MEMBERSHIP

1. The Remuneration Committee shall be appointed by the Board of Directors (the "Board").
2. The majority of the members ("Members") of the Remuneration Committee shall be independent non-executive directors ("INEDs").
3. The Chairman of the Remuneration Committee shall be appointed by the Board and shall be an INED.

SECRETARY

4. The Company Secretary, failing whom such other person as the Chairman of the Remuneration Committee shall appoint from time to time, shall be the secretary of the Remuneration Committee.
5. The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

MEETINGS

6. The Remuneration Committee shall meet at least once a year.
7. Seven days' notice or such shorter notice as may be agreed by Members will be given by the secretary specifying the place, date, time and agenda of the meeting and/or related board papers should be sent in full to all Members in a timely manner and where practicable at least 3 days before the intended date of the Remuneration Committee meeting.
8. The quorum of the Remuneration Committee shall be any two Members.
9. Meetings could be held in person, by telephone or by video conference.

**for identification purposes only*

10. Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
11. A resolution in writing signed by all the Members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
12. 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.

ATTENDANCE AT MEETINGS

13. At the invitation of the Remuneration Committee, the Chairman of the Board and/or managing director, external advisers and other persons may be invited to attend all or part of any meetings.
14. Only Members of the Remuneration Committee are entitled to vote at the meetings.

RESPONSIBILITY, POWERS AND DISCRETION

15. The Remuneration Committee shall have the following responsibilities, powers and discretion :
 - 15.1. 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;
 - 15.2. to have the delegated responsibility to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss of 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;
 - 15.3. to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
 - 15.4. 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;

REPORTING RESPONSIBILITIES

16. The Remuneration Committee shall report to the Board after each meeting.

AUTHORITY

17. The Remuneration Committee shall consult the Chairman of the Board and/or Managing Director about their proposals relating to the remuneration of other executive Directors.
18. 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.
19. The Remuneration Committee is authorized by the Board where necessary to have access to professional advice. Arrangement to seek professional advice could be made through Company Secretary.
20. The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

Note: If there is any inconsistency between the English and Chinese versions of this Terms of Reference, the English version shall prevail.