

iDreamSky Technology Holdings Limited

创梦天地科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1119)

Dividend Policy

1. Policy Objective

This Dividend Policy (the "**Policy**") aims to clarify the principles, procedures and considerations for the declaration and payment of dividends by iDreamSky Technology Holdings Limited (the "**Company**", together with its subsidiaries and its from time to time PRC consolidated affiliated entities, collectively the "**Group**") and the Group, balance the reasonable returns to shareholders with the sustainable development needs of the Group, protect shareholders' rights and interests, and enhance the transparency of corporate governance.

2. Scope of Application

This Policy applies to all matters relating to the declaration, payment of dividends and related matters of all member companies of the Group, including but not limited to interim dividends, final dividends, and special dividends. It shall strictly comply with the Companies Act of the Cayman Islands (the "**Companies Act**"), the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), the Company's Memorandum and Articles of Association (the "**Articles of Association**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (where applicable), and other relevant statutory and regulatory requirements.

3. Dividend Declaration Mechanism

Subject to the Companies Act and the Articles of Association, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount Recommended by the board of directors of the Company (the "**Board**").

The Board may from time to time pay interim dividends to shareholders as it deems reasonable based on its assessment of the Company's profits.

The Board may also pay half-yearly or at other intervals to be selected by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits available for distribution justify the payment.

The Company may only lawfully distribute its distributable profits and reserves (including share premium). The Company shall not be liable for interest on dividends.

4. Considerations for Dividend Distribution

When proposing or declaring dividends, the Company shall maintain sufficient cash reserves to meet its working capital needs, future business growth and its equity value. In deciding whether to declare and pay dividends (including the amount, method and timing), the Board shall comprehensively consider (but not be limited to) the following factors:

- 1) The actual and expected financial performance of the Group;
- 2) Shareholders' equity;
- 3) Retained profits and distributable reserves of the Company and member companies of the Group;
- 4) The Group's debt-to-equity ratio, return on equity ratio and related financial restrictions;
- 5) Potential impact on the Group's credit rating and financing capacity;
- 6) Restrictive covenants of lenders on dividend payments;
- 7) Expected working capital needs, future expansion plans (such as investments, mergers and acquisitions) and capital expenditures;
- 8) Liquidity position at the time of dividend declaration and future commitments;
- 9) Tax considerations;
- 10) Statutory and regulatory restrictions;
- 11) General economic environment, industry cycles and internal and external risk factors (such as policy changes, market fluctuations);
- 12) The Group's business conditions and strategies; and
- 13) Other factors as the Board deems appropriate.

Depending on the Company's financial condition and the aforesaid factors, the Board may propose to declare interim dividends, final dividends, special dividends and any distribution of profits as dividends as it deems appropriate during a financial year or period.

5. Retention and Use of Reserves

Before proposing dividends, the Board may retain an appropriate amount from the Company's profits as reserves for the following purposes:

1. Payment of amounts claimed against the Company, liabilities, or contingent liabilities;
2. Repayment of any loan capital;
3. Equalising dividends;
4. Any other purposes for which the Company's profits may properly be applied;
5. Discretionary use in the Company's business or investments as the Board may from time to time deem appropriate (including shares, warrants and other securities); and
6. Other purposes as the Board considers necessary.

It shall not be necessary to keep any reserves separate or distinct from any other investments. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

6. Review and Revision of the Policy

This Policy is adopted by the Board and will be subject to ongoing review. Subject to compliance with the Articles of Association, this Policy may be updated or revised from time to time without prior shareholder approval, provided that such revisions shall be

promptly published on the Company's official website.

7. General Provisions

1. This Policy shall comply with all provisions of the Companies Act, the Laws of Hong Kong, the Listing Rules and the Articles of Association. In case of any conflict, the law and the Articles of Association shall prevail ;
2. This Policy does not constitute a legally binding commitment to shareholders. The Board has the final discretion in respect of the declaration and payment of dividends and shall not be liable to shareholders for the reasonable exercise of such discretion; and
3. The terms used in this Policy are consistent with those in the Articles of Association. Matters not covered herein shall be handled in accordance with Article 24 of the Articles of Association and relevant legal provisions.

This Policy was adopted by a resolution of the Board on 28 August 2025 and shall take effect from 28 August 2025.