

**YE XING GROUP HOLDINGS LIMITED**  
(燁星集團控股有限公司)  
(the “Company”)

**WHISTLEBLOWING POLICY**

**I. Purpose**

This whistleblowing policy is designed to encourage employees of the Company (together with its subsidiaries, the “Group”), and related third parties (e.g. customers, suppliers, etc., who deal with the Company) (the “Third Parties”) to raise concerns, in confidence, about suspected misconduct, malpractice or irregularities in any matters related to the Company. This policy provides a means whereby an employee or a Third Party (the “Whistleblower”): (i) may, in good faith, complain issues and/or concerns in connection with a possible serious violation of law or company policy, and (ii) will be protected from any retaliatory acts directed against the Whistleblowers. “Good faith” means that a Whistleblower reasonably believes that the complaint is true and has not been made either for personal gain or for any ulterior motive.

The term “whistleblowing” refers to a situation where an employee decides to report serious concerns about any suspected misconduct, malpractice or irregularity which he has become aware of or genuinely suspects that the Group has been or may become involved in. This policy is designed to encourage employees to raise serious concerns internally, in a responsible and effective manner, rather than overlooking a problem or blowing the whistle outside. The content of this policy is applicable to all employees of the Company and its subsidiaries in Hong Kong or outside Hong Kong.

**II. Responsibility to Report**

All employees of the Company are required to take the right action, behave with integrity and honesty, treat people fairly, respect diversity, obey all laws, accept accountability, communicate openly, and always behave in a way that is beyond reproach.

Employees are also required to promptly alert their supervisor or higher management of business and work-related situations that could be damaging to the Company or cause harm to others such as emergencies, crimes, accidents, irregularities or other unexpected events; and to take reasonable action to prevent damage or harm. Employees could be in breach of the Group’s policies if they assist or authorise

others in activities that breach the Group's policies, conceal or fail to report any known or suspected breaches by others. Employees and Third Parties may also have a duty to report corruption to the authorities if required to do so by local regulations.

### **III. Protection**

Persons making genuine and appropriate complaints under this policy are assured of fair treatment. In addition, the Group's employees are also assured of protection against unfair dismissal, victimization, or unwarranted disciplinary action, even if the concerns raised turned out to be unsubstantiated. The Group reserves the right to take appropriate actions against anyone (employees or Third Parties) who initiates or threatens to initiate retaliation against those who have raised concerns under this policy. In particular, employees who initiate or threaten retaliation will be subject to disciplinary actions under the Group's policies, which may include summary dismissal. Management will support all employees and encourage them to raise concerns without fear of reprisals.

### **IV. Confidentiality**

The Group will make every effort, within its capacity to do so, to keep a Whistleblower's identity confidential. The Group will endeavor to advise a Whistleblower in advance if his or her identity may become apparent or need to be disclosed. Should an investigation lead to a criminal prosecution, it may become necessary for a Whistleblower to provide evidence or be interviewed by the relevant authorities.

### **V. Types of Misconduct, Malpractice and Irregularity**

It is not possible to give an exhaustive list of the activities that constitute misconduct, malpractice or irregularity covered by this policy. The activities covered by this policy may include but are not confined to the following:

- criminal offences or breaches of other legal or regulatory requirements;
- breaches of contract;
- misconduct, malpractice, negligence or unethical behavior;
- improprieties in financial reporting or internal controls;
- putting people's health and safety at risk; and
- deliberate concealment of any of the above.

## **VI. Reporting and Investigations**

### **a) Reporting Channels**

In general, Whistleblowers should make their reports to the Audit Committee of the Company for review.

For employees, they may prefer to have an initial discussion with his/her manager or local Human Resources (“**HR**”) representatives. However, the manager or HR must in turn report any potential or actual misconducts, malpractices or irregularities to the Audit Committee. If employees feel uncomfortable doing this (e.g. his/her line manager has declined to handle his/her case or it is the line manager who is the subject of the report), then the employee should contact the Audit Committee. Business partners, suppliers and Third Parties are encouraged to report directly to the Audit Committee.

### **b) Reports and Supporting Documentation**

While the Group does not expect the Whistleblower to have absolute proof or evidence of the misconducts, malpractices or irregularities reported, the report should show the reasons for the concerns and full disclosure of any relevant details and supporting documentation. If he/she makes a report in good faith then, even if it is not confirmed by any subsequent investigation, the Whistleblower’s concerns would be valued and appreciated. He/she can make a report in writing (by post or by email) to the Audit Committee using the standard form (Whistleblower Report Form) attached as Annex 1 of this policy.

Manager/HR representative is required to submit to the Audit Committee a log summary of all received/recorded reporting forms and corresponding actions taken on a regular basis.

The Audit Committee will implement safety custody procedures to safeguard all reporting forms to protect confidentiality all email address and phone numbers.

**c) Investigations**

The Audit Committee will assess every report received through the general reporting channel described in Section VI (a) above to decide if a full investigation is necessary. If there is sufficient evidence to suggest that a case of possible criminal offence or corruption exists, the matter will be reported by the Audit Committee to the relevant local authorities (for instance, Independent Commission Against Corruption in Hong Kong).

In some situations (e.g. in case of possible criminal offence), the Audit Committee may have to refer the matter together with the relevant information to the authorities. Please note that once the matter is referred to the authorities, the Group will not be able to take further action on the matter.

The Audit Committee will prepare a full report on the investigations conducted without revealing the identity of the Whistleblower. For confirmed cases of violations, the normal process is for the responsible line management (with the assistance of HR representative) to determine what disciplinary action is appropriate and make a recommendation to the Audit Committee for final decision.

**VII. False Reports**

If a Whistleblower makes a false report maliciously, with an ulterior motive, or for personal gain, the Group reserves the right to take appropriate actions.

**VIII. Anonymous Reports**

As the Group takes reporting of misconducts, malpractices, and irregularities seriously and wants to conduct warranted investigations of both potential and actual violations, it is preferred that these reports are not made anonymously. However, it is recognized that for a number of reasons, employees or Third Parties may not feel comfortable reporting potential violations directly to the Audit Committee. In these cases, anonymous reports may be submitted to the Audit Committee.

**IX. Record Retention**

Records shall be kept for all reported misconducts, malpractices, and irregularities by the relevant parties in the Group under Section VI (a) above. In the event a reported irregularity leads to an investigation, the party responsible for leading / conducting the investigation shall ensure that all relevant information relating to the case is retained, including details of corrective actions taken for a period of six years (or whatever other period may be specified by any relevant legislation).

**X. Responsibility for Implementation and Review of Policy**

This policy has been approved and adopted by the Board of the Company. The Audit Committee has been delegated overall responsibility for day-to-day implementation, monitoring and periodic review of this policy and any matter raised must be put forward to the Board for approval. If there are any questions about the contents or application of this policy, please contact the Audit Committee.

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ANNEX 1

**(CONFIDENTIAL)**

**WHISTLEBLOWER REPORT FORM**

The Company (together with its subsidiaries, the “Group”) is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, the Group encourages its employees and related third parties (e.g. customers, suppliers, etc., who deal with the Group) to raise concerns and report in confidence, about misconducts, malpractices or irregularities in any matters related to the Group.

The whistleblowing policy has been established to encourage and assist Whistleblowers to disclose information relevant to misconducts, malpractices or irregularities through a confidential reporting channel (to the extent possible). The Company will handle this report with care and will treat the Whistleblower’s concerns fairly and properly.

If you wish to make a written report, please use the report form below. Once completed, this report becomes confidential. You may send the report, marked confidential and addressed to the Audit Committee by post to the relevant addresses or by email.

<p><b>To: The Audit Committee</b></p> <p>Ye Xing Group Holdings Limited  Unit 612, 6/F  CC Wu Building  302-8 Hennessy Road  Wanchai, Hong Kong</p>	
<p>Name of reporter/ Contact  Telephone Number and Email</p> <p>We encourage you to provide your name with this report. Concerns expressed anonymously are much less powerful but they will be considered as far as practicable.</p>	<p><b>Name:</b></p> <p><b>Address:</b></p> <p><b>Tel No:</b></p> <p><b>Email:</b></p> <p><b>Date:</b></p>
<p><b>The names of those involved (if known):</b></p>	
<p><b>Details of concerns:</b></p> <p>Please provide full details of your concerns: names, dates and places and the reasons for the concerns (continue on separate sheet if necessary) together with any supporting evidence / documents.</p>	
<p>Log Reference No.:</p>	
<p>Recorded by Manager/HR: Date:</p>	
<p>Date:</p>	