

LAI FUNG HOLDINGS LIMITED

(the “**Company**”)

(Incorporated in the Cayman Islands with limited liability)

WHISTLEBLOWING POLICY

1. Objective

The Company (together with its subsidiaries, the “**Group**”) is committed to maintaining a high standard of integrity, openness and discipline in its business operations. Employees are required to demonstrate ethics and integrity in their daily duties and adhere to rules and procedures in accordance with relevant laws and regulations. The Group is determined to prevent any misconduct, malpractice or irregularities in any matters that might compromise the interest of any stakeholders of the Group.

This whistleblowing policy (the “**Policy**”) is designed to encourage employees of the Group and relevant third parties who deal with the Group (e.g. customers, suppliers, creditors and debtors) (the “**Third Parties**”) (each a “**Whistleblower**”) to raise concerns, in confidence, about suspected improprieties in any matters related to the Group. It sets out how the reports of inappropriate acts can be made and how they are reviewed and investigated. The Company will handle the report with care and treat the Whistleblower’s concerns fairly and properly. Associated and joint venture companies are encouraged to establish whistleblowing policies comparable to this Policy.

2. Scope

This Policy applies to all employees (including directors, permanent, temporary and contract staff) of the Group (the “**Employees**”) and the Third Parties.

Improprieties include misconduct, malpractice and unethical behaviors. Whilst it is impossible to provide an exhaustive list of the activities that constitute improprieties in this Policy, whistleblowing matters may include but are not limited to:

- (a) criminal offences or breaches of other legal or regulatory requirements;
- (b) violation of rules, policies or internal controls of the Group;
- (c) malpractice, impropriety or fraud in financial reporting, internal controls or other financial matters of the Group;
- (d) breaches of contracts;
- (e) endangerment to the health and safety of any individual;
- (f) discrimination or harassment;
- (g) bribery or corruption;
- (h) professional, ethical or other malpractices or wrongdoings; and/or
- (i) deliberate concealment of any of the above.

3. Protection

In making a whistleblowing report, the Whistleblower should exercise due care to ensure the accuracy of the information.

The Whistleblower making genuine and appropriate allegation under this Policy is assured of fair treatment. In addition, Employees are assured of protection against unfair dismissal, victimisation or unwarranted disciplinary action, even if the whistleblowing reports are subsequently proved to be incorrect or unsubstantiated.

The Group reserves the right to take appropriate actions which may include summary dismissal against anyone who initiates or threatens to initiate victimisation or retaliation against the Whistleblowers who have genuinely raised concerns. Management of the Group will support all Employees and encourage them to raise concerns without fear of reprisals.

4. Confidentiality

The Group will make every effort to keep confidential all information received from a Whistleblower and the identity of the Whistleblower, except where there is a legal or regulatory requirement to disclose it or where it is disclosed to law enforcement or comparable authorities. In addition, the identity of the Whistleblower may need to be disclosed in order to investigate the concern raised by the Whistleblower and the Whistleblower will be informed of such situation.

5. Reporting Channels

Every whistleblowing report shall be made in writing either by email to whistleblowing@laisun.com (to be accessed by Mr. Chew Fook Aun (“**Mr. Chew**”) and Mr. Lui Siu Tsuen, Richard (“**Mr. Lui**”) (both are Executive Directors of Lai Sun Group), as well as Head of Group Human Resources and Administration Department (the “**GHRA**”)) or by post* to Mr. Chew, Mr. Lui and Head of GHRA at 11/F., Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong.

If Mr. Chew, Mr. Lui or Head of GHRA is the person being complained against, the whistleblowing report should be made in person or by post* addressed to the Chairman of the audit committee of the Company (the “**Audit Committee**”) at the same address. The Chairman of the Audit Committee shall then determine the course of action to pursue, with power to delegate, with respect to the whistleblowing report.

Any business units in receipt of a whistleblowing report alleging any of the above types of misconducts shall redirect the whistleblowing report to the GHRA, which will handle such report in the same manner as stipulated in this Policy.

**Note: Mail should be sent in a sealed envelope marked “Strictly Private and Confidential, to be opened by Addressee only”.*

6. Reports

Each Whistleblower is required to provide details of improprieties (including relevant incident(s), behaviour, activity(ies), name(s), date(s), place(s) and any other relevant information) on the whistleblowing report. The Group does not expect the Whistleblower to have absolute proof or evidence of the misappropriates reported, the whistleblowing report should show the reasons for the concerns and full disclosure of any relevant details and supporting documentation. If a whistleblowing report is made in good faith, even if it is not confirmed by any subsequent investigation, the Whistleblower's concerns would be valued and appreciated.

Details of the Whistleblower (including name, department/business unit, company, contact number, address or email address) are not required but are encouraged to be provided so as to facilitate the investigation and such details will be kept in the strictest confidence.

Records shall be kept for all reported improprieties by the GHRA and copy the Chairman of the Audit Committee for information. In the event a reported impropriety leads to an investigation, all relevant information relating to the case shall be retained, including details of corrective action taken, for a period as long as is considered necessary by the GHRA or such period as may be specified by any relevant legislation or authority.

7. Investigation

Every whistleblowing report received will be assessed and decided whether a full investigation is necessary. If an investigation is warranted, the format and the length of an investigation will vary depending upon the nature and particular circumstances of each whistleblowing report made. The whistleblowing report raised may:

- (a) be investigated internally by the management and/or Executive Directors of the Company or if delegated by the Audit Committee, the GHRA or other departments of the Company;
- (b) be referred to the independent advisor as instructed by the Audit Committee;
- (c) be referred to the external auditor as instructed by the Audit Committee;
- (d) be referred to the relevant public or regulatory bodies as instructed by the Audit Committee; and/or
- (e) form the subject of any other actions as the Audit Committee may determine in the best interest of the Group.

During investigations, authorised internal and/or external professionals may need to contact the Whistleblower(s) for further information. They are requested to cooperate with the investigation, including by making themselves available for interviews and providing relevant documents as required.

The Whistleblower will be informed of the final results of the investigation, wherever reasonably practicable.

In order not to jeopardise future investigation by the Company and/or a law enforcement agency, the Whistleblower is also required to keep confidential all information about and related to the whistleblowing report, including but not limited to the fact that a whistleblowing report has been filed, the nature of the concerns, the identities of those involved and any other information that the Company has shared in the course of handling the whistleblowing report.

8. False Reports

All whistleblowing reports must be made in good faith. If the Whistleblower makes a false whistleblowing report maliciously, with an ulterior motive, or for personal gain, the Company reserves the right to decline or discontinue investigation, to report to law enforcement agencies and to take appropriate actions against the Whistleblower to recover any loss or damage as a result of the false whistleblowing report. In particular, Employees may face disciplinary action, including dismissal, where appropriate.

9. Implementation and Periodic Review

This Policy has been approved and adopted by the board of directors of the Company (the “**Board**”). The Audit Committee shall supervise the enforcement of this Policy and is responsible for the interpretation, monitoring and periodic review of all the policies and procedures set out herein. The Board and the Audit Committee will continue to review the whistleblowing mechanism periodically to improve its effectiveness and Employees confidence in the process and to encourage a “speak up” culture across the Group.

Adopted by the Board on 19 July 2022