

SKYWORTH

SKYWORTH GROUP LIMITED

創維集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00751)

EXTERNAL WHISTLEBLOWING POLICY

1. Purpose

Whistleblowing is an important part of an effective internal control and risk management system. It is a useful means of uncovering fraud, malpractice, misconduct or significant risks relating to Skyworth Group Limited (the “Company”) and its subsidiaries (together, the “Group”).

For the purpose of this Policy, “whistleblowing” refers to a situation where a person, not being an employee of the Group, who deals with members of the Group (including customers and suppliers) (an “External Party”), and who conveys a concern, allegation or any information that fraud, corruption or any other misconduct is occurring or has occurred in the Group, with good faith that the concern, allegation or information is true.

The purpose of this Policy is to provide guidance to External Parties on how to report matters under this Policy, and describe how the Company will deal with reports from External Parties.

The audit committee of the board of directors of the Company (the “Audit Committee”) may review this policy from time to time.

2. Policy

2.1 Matters covered under this Policy

- ✧ This Policy covers any fraud, malpractice or inappropriate behavior relating to the Group (“Reportable Conduct”) that may arise, including but not limited to the following:-
 - (a) Fraud, malpractice and other possible improprieties relating to financial reporting, internal controls, accounting and auditing matters;
 - (b) Misuse of company resources or any other conduct that may cause financial loss to the Group;
 - (c) Breach of legal and regulatory requirements, or other applicable code of conduct;
 - (d) Bribery or corruption;
 - (e) Endangerment of the health and safety of an individual;
 - (f) Improper use of commercially sensitive information; and
 - (g) Miscarriage of justice.

2.2 Protection and Support for Whistleblowers

The Company commits to take each report seriously. Full support will be given External Parties who report in good faith any genuine suspected Reportable Conduct. The Group will endeavor to protect reporting External Parties against prejudicial business conducts, even if the concerns turn out to be unsubstantiated.

2.3 Confidentiality

Each report will be treated as confidential. The identity of the reporting person will not be divulged save with such person's consent or where:

- (a) in the opinion of the Audit Committee of the Company (the Audit Committee), it is material to the investigation or in the interest of the Company to disclose the identity;
- (b) the report lacks merit or is lodged in bad faith with malicious or mischievous intent to cause annoyance or harm or in abuse of these procedures;
- (c) it is required to be disclosed in compliance with any applicable law or regulation, by any relevant regulatory authority including The Stock Exchange of Hong Kong Limited, or by the order or directive of any court having jurisdiction over the Company; and
- (d) the report and the identity of the reporting person are already public knowledge.

In order not to jeopardise the investigation and any follow-up actions, External Parties who have reported under this Policy are required to keep confidential all information about and related to the report, including the fact that he/she/it has filed a report, the nature of the concerns, the identities of those involved and any other information that the Group has shared with the External Party in the course of handling the report.

2.4 False or Malicious Accusations

External Parties should also exercise due care to ensure, as far as they are able to, the accuracy of the information being reported. If any person, in the Company's opinion, makes an unfounded report maliciously, fraudulently, with an ulterior motive or for personal gain, the Company reserves the right to, among other things, decline to investigate or discontinue an investigation.

3. Reporting Channels

An External should report the suspected Reportable Conduct by writing to:

Joint Officer
Violations Investigation and Punishment Office
Skyworth Group Limited
Rooms 1601-04 Westlands Centre
20 Westlands Road
Quarry Bay, Hong Kong

In the event an officer of the Violations Investigation and Punishment Office is the person of interest under any reported matter or is otherwise conflicted, such report should be sent to the Chairman of the Company's Audit Committee at the address indicated above. Please mark "Strictly Private and Confidential – To be Opened by Addressee Only" in the sealed envelope.

The above reporting channel (along with a copy of this policy to the extent relevant to External Parties) will be made available on the Company's website.

4. Investigation and Reporting Procedures

4.1 Whistleblowing Register

All allegations will be recorded in the register.

4.2 Investigation by Violations Investigation and Punishment Office ("VIP Office")

VIP Office should report the matter to the Audit Committee. They will review the matter and decide how the investigation should proceed, including (in appropriate circumstances) involvement of third party advisers including auditors, counsel or other experts, and/or reporting to relevant law enforcement agencies. The investigation will be handled by VIP Office in a confidential and timely manner, and shall not jeopardise any future investigations by any law enforcement agencies.

The objective of an investigation is to examine information relating to the allegation as quickly as possible, to consider the evidence collected and to draw conclusions in a manner that is objective and impartial.

4.3 Reporting

Investigation report, together with recommendations for improvement (if appropriate), will be prepared by VIP Office and submitted to the Audit Committee for further review and action.