



WAI YUEN TONG MEDICINE HOLDINGS LIMITED

(位元堂藥業控股有限公司*)

(Incorporated in Bermuda with limited liability)

(Stock Code: 897)

WHISTLEBLOWING POLICY

(the “Policy”)

INTRODUCTION

Wai Yuen Tong Medicine Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) is committed to achieving the highest possible standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is every employee’s responsibility and in all interest of the Company to ensure that any inappropriate behaviour or organisational malpractice that compromise the interest of the shareholders, investors, customers, suppliers and wider public does not occur. To this end, the Company has devised the Policy.

POLICY

The purpose of formulating the Policy is intended to assist individual employees to disclose internally and at a high level, information which the individual believes that it shows malpractice or impropriety within the Group. It is not designed to further any personal disputes, question financial or business decisions taken by the Company nor should it be used to reconsider any staff matters which have been addressed under the grievances procedure already in place.

SCOPE

The Policy applies to the Group’s employees at all levels and divisions/departments.

MISCONDUCT AND MALPRACTICE

It is impossible to give an exhaustive list of the activities that constitute misconduct or malpractice but, broadly speaking, we would expect you to report, amongst other things, the following:

- criminal offence, breach of civil law and miscarriage of justice
- malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters
- improper conduct or unethical behaviour likely to prejudice the standing of the Company
- failure to comply with any legal obligations or regulatory requirements
- danger to the health and safety of any individual
- damage to the environment
- violation of rules or policies applicable within the Company

- improper conduct or unethical behaviour likely to prejudice the reputation or standing of the Company
- bribery or corruption
- deliberate concealment of any of the above

While we do not expect you to have absolute proof of the misconduct, malpractice reported, the report should state clearly the reasons for the concerns. If you make a report in good faith then, even if it is not confirmed by an investigation, your concerns would be valued and appreciated.

PROTECTION AND CONFIDENTIALITY

The Company will make every effort to keep your identity confidential and/or the identity of the individual employee making the report will not be divulged without the employee's consent. However, no prior notice to you, if in certain circumstances, the Company may be required or legally obliged to reveal the employee's identity to authorities, for example, where an investigation leads to legal proceedings being initiated. If this is the case, the Company will take all reasonable steps to ensure that the employee suffers no detriment. Harassment or victimisation of a genuine whistle blower will be treated as gross misconduct, which if proven, may result in dismissal.

FALSE REPORT

If you make a false report maliciously, with an ulterior motive, without reasonable grounds that the information in the report is accurate or reliable, or for personal gain, you may face disciplinary action.

REPORTING AND INVESTIGATION PROCEDURES

Any report under the Policy must be submitted in writing to the chairman of the board of directors of the Company either by email via whistleblowing@waiyuentong.com or by post at Suite 3101, 31/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong in a sealed envelop clearly marked "Strictly Private and Confidential – To be Opened by Addressee Only" to ensure the confidentiality.

Employees are encouraged to provide their name and contact details with their report. Concerns expressed anonymously are much less powerful and may not lead to effective follow-up, but they will be considered as far as practicable.

A report should be made in writing, by using either the standard report form attached to the Policy as Annexure I or in any other format suitable to the nature and particular circumstances of each complaint made, accompanying sufficient supporting evidence.

We will evaluate every report received to decide whether a full investigation is necessary and the matters raised may be investigated internally by internal audit or compliance department (if appropriate) or referred to the external auditors of the Company, whichever is appropriate.

When possible, the chairman of the Board will acknowledge receipt and/or give feedback to the whistle blower.

REVIEW OF THE POLICY

The audit committee of the Company should review the effectiveness of the Policy regularly and ensure that proper arrangements are in place for the fair and independent investigation of such these matters and for appropriate follow-up action.

September 2022

WHISTLEBLOWING REPORT FORM

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We are committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect employees who have concerns about any suspected misconduct or malpractice within the Group to come forward and voice those concerns.

It is recognised that in most cases the person raising concerns will wish to be dealt with on a confidential basis. All reasonable efforts will therefore be made to avoid revealing the person's identity.

<p>Your Name/Contact Telephone Number and Email</p> <p><i>(We encourage you to provide your name and other contact details with this report. Concerns expressed anonymously are much less powerful and may not lead to effective follow-up, but they will be considered as far as practicable.)</i></p>	<p>Name: _____</p> <p>Address: _____</p> <p>Tel No: _____</p> <p>Email: _____</p> <p>Date: _____</p>
<p>The names of those involved (if known):</p>	
<p>Details of concerns:</p> <p><i>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.</i></p>	

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