HEALTH AND HAPPINESS (H&H) INTERNATIONAL

HOLDINGS LIMITED

GROUP ANTI-FRAUD POLICY

Effective Date:

7 December, 2021

Policy revision record

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<tr><th>Policy Title</th><th>Date of revision</th><th>1st Edition</th><th>Version Update</th><th>Revision</th><th>Owner</th><th>Team in assistance</th><th>Revocation</th><th>No.</th></tr>
<tr><td rowspan="2">H&H Group Anti-fraud Policy</td><td>07/12/2021</td><td>√</td><td></td><td></td><td>Group Internal Audit & Risk Management</td><td></td><td></td><td>IAR01</td></tr>
<tr><td colspan="8">This policy provides a general framework for the practice of H&H Group’s anti-fraud management which aims to reduce the Group’s fraud risks</td></tr>
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1. BACKGROUND

The Policy aims to provide guidelines and specify responsibilities in H&H Group's ("H&H Group", "the Group", or "the Company") anti-fraud management, and to promote the Group's continued resolution to set up an ethical, compliant and fair workplace, which holds ZERO tolerance towards fraud and misconduct.

2. SCOPE OF POLICY

This policy applies to any fraud or misconduct, or suspected fraud or misconduct specified in "4.ACTIONS CONSTITUTING FRAUD OR MISCONDUCT" of this policy.

This policy applies to:

- H&H and all its subsidiary and affiliate companies over which it exercises control;
- All directors, officers and employees of H&H Group (including temporary or contract staff and consultants); and
- All business partners, including any person or entity which acts for or on behalf of or performs services for H&H Group, including third party agents, consultants or service providers.

It is every employee's responsibility to counter fraud or misconduct by their adhering to this Policy. Fraud investigation will not be influenced by the suspect's length of service, position/title, or their relationship to the Company.

3. ROLES AND RESPONSIBILITIES

The Group is firmly committed to preventing fraud. The Group and each of its staff are responsible for preventing fraudulent acts. As detailed in the sections below, the Group has set up internal processes to assist its staff to report fraud related concerns. Appropriate disciplinary action willbe taken against those who are found to have breached this Policy.

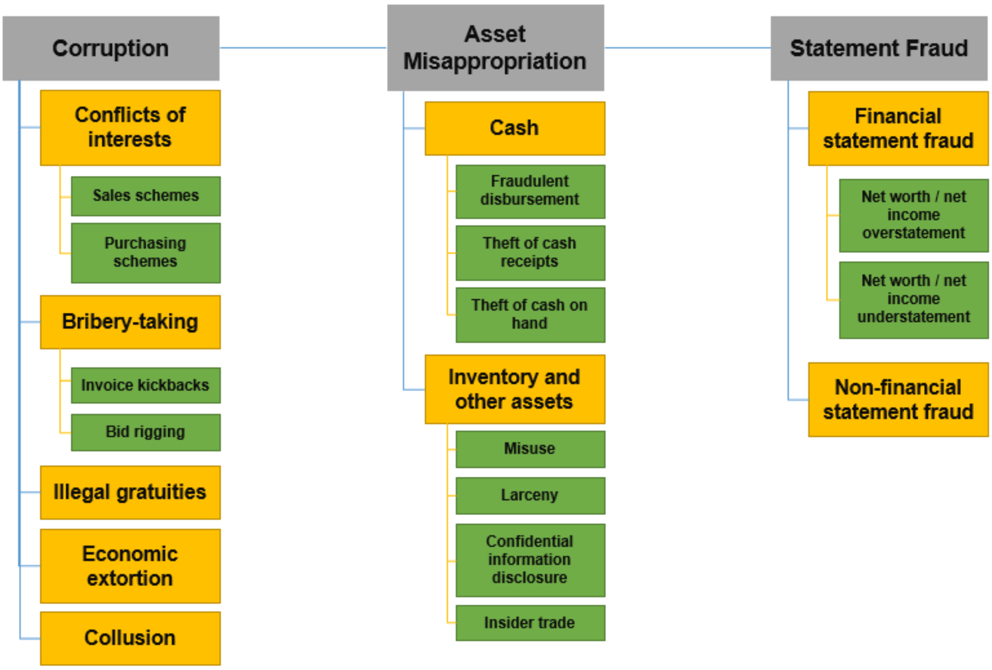
Group Internal Audit & Risk Management Department ("the IA & RM team"), as the designated function for coordinating fraud prevention and investigation, assumes the responsibilities of developing anti-fraud related policies, ensuring confidentiality and protection for the whistleblower, investigating suspected fraudulent acts or misconduct (as defined in this Policy) and implementing appropriate disciplinary action.

On necessary occasions, the IA & RM team will enroll external resources or agencies for investigation.

IA & RM team will report fraud investigation and management results to the Audit Committee, the Board of Directors or any appropriate designated personnel with recommended next steps.

4. ACTIONS CONSTITUTING FRAUD OR MISCONDUCT

Fraud is defined as an intentional or deliberate fraudulent act conducted by an employee or external party through misuse or misapplication of the resources or assets of the Company (including shareholders, customers, consultants, external and temporary collaborators of H&H Group), in order to gain a material advantage.



The terms in the sub-categories (in yellow) refer to:

<u>Conflicts of interests</u>

- To benefit, directly or indirectly, from a party with which the Group has a business relationship or is in competition with.
- To make loans to, guarantee loans for, obtain loans from, or obtain loans with the assistance of individuals or institutions with which the Group does business (except for normal lending with financial institutions).
- To purchase shares of IPO at a discounted price issued by a company with which the Group does business.

Bribery Taking

- Taking, receiving or soliciting of an undue advantage of any value, including but not limited to corrupt payments, gifts, hospitality or travel from outside parties to influence an official act or business decision.

Economic extortion

- Obtaining property from the parties, with their consent induced by wrongful use of actual or threatened force or fear.

Collusion

- An agreement between two or more individuals/parties to commit an act designed to deceive or gain an unfair advantage from the Group.

Asset misappropriation

- A type of fraud (usually committed by the associate against the Group) that involves the team member's theft of the Company's cash, funds, securities, supplies, information assets or other assets by deceitful means.

Financial statement fraud

- The deliberate misrepresentation of financial conditions of the Group accomplished through the intentional misstatement or omission of amounts or disclosures in the financial statements to deceive financial statement users, which usually involves overstating assets, revenues and profits, and understating liabilities, expenses and losses, or vice versa.

Non-financial statement fraud

- The deliberate misrepresentation of non-financial information of the Company to deceive the report users.

Cause or authorize any of the above conduct or any other conduct which is inconsistent with this Policy.

5. BREACHES AND REPORTING PROCEDURES

H&H Group holds ZERO tolerance towards actions and behaviours in violation of this Policy. Failure to comply with this Policy may lead to disciplinary action, up to and including dismissal, prosecution or referring the results of the investigation to law enforcement and/or a regulatory agency for independent investigation. Conduct in violation of this Policy may also breach applicable laws and result in criminal or civil penalties.

Every employee of the Group and its Business Partners must cooperate fully and openly with any investigation undertaken by the H&H Group into the alleged or suspected fraud or breach of this Policy. Failure to cooperate or to provide truthful information would be a breach of this Policy.

If an employee or any party that has a business relationship with the Group has knowledge of or suspects fraudulent activity or misconduct, they must report it in accordance with the contact details provided in the table below.

H&H Group takes whistleblowing seriously and will review all reports and initiate investigations when required. Whistleblowing reports are completely confidential, and the whistleblower is not required to reveal his/her identity unless they choose to do so.

Location of the misconduct	Hotline (toll free)	Email	Web
China Mainland	400-966-3922	hhspeakup@tip-offs.com.cn	https://www.tip-offs.com.cn/hh
Hong Kong SAR	00-852-2531-1738	hhspeakup@tip-offs.com.cn	https://www.tip-offs.com.cn/hh
Australia	1 800 509 530	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
New Zealand	0800 453 764	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
The United States of America	1 888 235 5177	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
France	0805-081907	hhspeakup@deloittece.com	https://eu.deloitte-halo.com/HHspeakup/
United Kingdom	0-808-101-0510	hhspeakup@deloittece.com	https://eu.deloitte-halo.com/HHspeakup/
Italy	800-143-966	hhspeakup@deloittece.com	https://eu.deloitte-halo.com/HHspeakup/
Netherlands	0-800-022-5713	hhspeakup@deloittece.com	https://eu.deloitte-halo.com/HHspeakup/
Malaysia	1800 814 474	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
Singapore	800 492 2424	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
Thailand	001 800 852 8406	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/
Other countries not listed above	N/A	hhspeakup@tipoffs.asia	https://singapore.deloitte-halo.com/hhspeakup/

Where an individual reports fraudulent activity or misconduct, the IA&RM team will provide the reporter with an review update or other necessary information when suitable.

The reporting individual must ensure that they:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the IA&RM team.

6. INVESTIGATION AND THE AUTHORIZATION

The Group will treat any complaint, allegation or report of fraudulent activity or misconduct made in good faith seriously. Group IA & RM Department will act as soon as reasonably possible to investigate the complaint, allegation or report within a reasonable timeframe.

An initial investigation will be conducted by independent members from the IA & RM team or by an external investigation agent to the Company.

The IA & RM team or any delegated external agent will undertake an investigation which may include:

- The ability to freely and without obstruction access all Company records and premises, whether owned or licensed;
- The ability to examine, copy, and/or remove all or any portion of the contents of Company records at the premises of any individual who might use or have custody of any such record, unless prior written consent is required by law; and
- The ability to examine, copy, and/or remove all or any portion of the contents of employees’ desks, cabinets, and other storage facilities by informing the employee beforehand, and with the employee present, unless prior written consent is required by law.

7. RESOLUTION

Following an investigation, the IA & RM team will deal with the incident or allegation in accordance with this Policy and the Group’s internal reporting procedures. Resolution may include a recommendation to take disciplinary action against the individual. All parties involved will be advised of any recommendations and the reasons for them.

The decision to take disciplinary action against an individual who has engaged in fraudulent activity or misconduct will be made in accordance with the following:

- **Audit Committee:** if a member of the HHEC committed the fraudulent activity or misconduct.
- **Group CEO (in conjunction with Group P&C Director and the employee's supervisor)**: if team member equal to or above the level of Band 7 (excluding members of the HHEC) committed the fraudulent activity or misconduct.
- **Region Head or Function Head (in conjunction with Regional P&C Director and the employee's supervisor):** if a team member equal to or below the level of Band 6 committed the fraudulent activity or misconduct.

The decision to prosecute or to refer the results of an investigation to law enforcement and/or a regulatory agency for independent investigation will be made in conjunction with the appropriate Legal team, senior management, legal representative and the Audit Committee.

8. ACTING IN GOOD FAITH

Anyone reporting fraudulent activity or misconduct must do so in good faith and must have reasonable grounds for believing the information provided is true and correct. No employee will be subject to a penalty or disadvantage as a result of reporting fraudulent activity or misconduct in good faith.

Allegations made maliciously or with knowledge of their falsity will not be tolerated. Employees who make such allegations may be subject to disciplinary action.

9. CONFIDENTIALITY AND WHISTLEBLOWER PROTECTION

The Group and any external referent shall treat all information received confidentially.

Information relating to the investigation and any recommendations or results will not be disclosed or discussed with anyone other than those who have a legitimate need to know (which may include disclosure to a judicial or public authority).

The Group is committed to ensuring the safety and protection of a whistleblower. Please refer to '<u>H&H Whistleblower Protection Policy</u>' for further information.

10. TRAINING

Group IA & RM Department is responsible for training and communication on this Policy, and will ensure that all employees receive appropriate and regular training.

11. PROTECTION OF PERSONAL DATA

All information collected by Group IA & RM Department, including any personal information relating to the whistleblower and accused, will be confidential. Group Internal Audit & Risk Management Department undertakes and guarantees to implement and maintain appropriate technical and organizational measures to ensure the safe and secured collection, use, disclosure and storage of any such information.

Personal data collected and processed by Group IA & RM Department in accordance with this Policy will be stored for a period of time which will not exceed the duration required for the purposes for which they are collected and processed.

The personal data protection follows the regulations of
‘Personal Data Protection Baseline’ which is a part of H&H Group policies.

Any team member or third party who is found to be in breach of this Policy may be punished by disciplinary action.

12. POLICY ADMINISTRATION

Group Internal Audit & Risk Management Department is responsible for the administration, revision, interpretation, and application of this Policy.

The Policy will be reviewed annually and revised as needed and will be made available to all team members from the date of release by Group Internal Audit & Risk Management Department via email.