

POU SHENG INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

Prevention of Bribery Policy (the "Policy")

A. Introduction

Purpose

1. Integrity, honesty and fairness are the operating principles of Pou Sheng International (Holdings) Limited (the "**Company**"). The Company is committed to promoting the highest standards of business ethics and complying with all applicable laws, including the prevention of bribery legislations in the jurisdictions in which the Company operates and conducts business activities.
2. Bribery and corruption create negative impacts on business and lead to unfair competition and unstable business outcomes. Governments admit the detrimental effects of bribery and corruption, and strict anti-corruption legislations have therefore been implemented in most countries.
3. The Company requires all directors, officers and employees of the Company's undertakings, subsidiaries and affiliated companies (collectively, the "**Company Personnel**"), and those companies, organisations and individuals having business dealings with the Company, including the Company's sales partners, agents, intermediaries, consultants, contractors, distributors, joint venture partners and suppliers (collectively, the "**Business Partner(s)**"), to maintain high standards of business ethics and to comply with all applicable anti-bribery and anti-corruption laws and regulations in all jurisdictions. The Company adopts a zero-tolerance attitude towards bribes in any form in any country in which the Company operates or conducts business activities.

4. The Policy sets the Company's global standards and identifies the most likely, but not exhaustive, situations of bribery. If any Company Personnel is in doubt from time to time as to whether any conduct may be in breach of the Policy, he/she shall consult with the head of Human Resources and General Administration Department in his/her respective country/region before engaging in such conduct.

Applicability

5. The Policy supplements the Company's Human Resources Management System and Rules and the Company's Staff Handbook (Hong Kong Section) and is effective immediately. The Policy applies to all Company Personnel and all Business Partners in all countries. The Company Personnel shall notify their Business Partners with whom they have business dealings the terms of the Policy.
6. The Company strictly prohibits any conduct that breaches or contradicts the Policy.
7. It is important that you must read and familiarise yourself with the Policy and comply with its terms and conditions. If any Company Personnel is in any doubt about the Policy, he/she shall seek assistance from the head of Human Resources and General Administration Department in his/her respective country/region.

B. Consequences of non-compliance with the Policy

1. Any breach of the Policy is taken seriously. A breach of the Policy may also constitute a violation of the laws and may incur civil and/or criminal liabilities. The Company reserves the right to report such conduct to the relevant law enforcement agencies.
2. Any breach of the standards set out in the Policy by any Company Personnel is subject to disciplinary actions, including but not limited to summary dismissal without compensation in accordance with the applicable laws.
3. If the Company suffers any loss as a result of a breach of the Policy, the Company may hold such persons liable for such loss.

C. Policy statement

1. Advantage is wide-ranging and includes cash, cash equivalents (such as coupons or vouchers), gifts, entertainment, sponsorship, donations, loans or lending of valuables, commissions, services, fees, remuneration, employment, contracts, release of liability in whole or in part, the exercise or forbearance from the exercise of any right or any power or duty, any other benefit or favour (collectively, the "**Advantage**"). Any solicitation or acceptance of any Advantage directly or indirectly without the Company's permission, or any offering or promise of any Advantage to a recipient in the course of business without the permission of the recipient's principal (e.g. his employer) constitutes bribery.

2. No Company Personnel shall engage in any conduct of bribery. In no circumstances shall the Company Personnel offer any Advantage that is not expressly permitted under the Policy, particularly where the Advantage could be perceived as or give rise to reasonable suspicion that such Advantage is intended to gain an unfair commercial advantage for the Company or to influence any person or company to procure or introduce business dealings to the Company. By the same token, the Company Personnel shall never accept or receive any Advantage in connection with the Company's affairs other than as expressly permitted under the Policy, particularly if the acceptance of such Advantage might affect the objectivity of the Company Personnel, induce the Company Personnel to prejudice the Company's interests, or give rise to doubts, reasonable suspicions or complaints of bias and/or inappropriate conduct.

Dealings with public departments and public servants

3. Unless prior approval has been obtained in accordance with the approval procedures set out in Part D of the Policy, the Company Personnel are prohibited from, directly or indirectly, offering or providing any Advantage (other than fees payable or services to be rendered under a duly executed contract with the Company, or fees payable under the applicable local laws (e.g. tunnel tolls and registration fees)) to any officer, official (i.e. a person holding a position in the legislative, administrative or judicial branch of any country and/or government), political party or its candidate, or employee of any government, government department, government agency, public body, public organisation or international organisation (collectively, the "**Public Servant(s)**") or any individual, company or body acting on behalf of a Public Servant in respect of the followings: -
- (a) any act or omission by a Public Servant acting in his/her capacity as such; or
 - (b) any act by a Public Servant that would expedite, delay, hinder or prevent himself/herself from acting in his/her capacity as such; or
 - (c) any act by a Public Servant that would assist, favour, hinder or delay any actual or potential commercial transaction; or
 - (d) giving of assistance or use of his/her influence by a Public Servant in connection with any actual or potential contract with a government agency or public body.

Soliciting advantage

4. No Company Personnel shall, directly or indirectly, demand, request or in any way solicit any form of Advantage (in form of cash or otherwise) from any customer, potential customer, Business Partner or potential Business Partner of the Company.

Gifts

Acceptance of gifts

5. Unless prior approval has been obtained in accordance with the approval procedures set out in Part D of the Policy, no Company Personnel shall accept, directly or indirectly, and must politely decline, any gift or any other form of Advantage from any customer, potential customer, Business Partner or potential Business Partner of the Company, except that the Advantage is:

- (a) a gift of a mere symbolic value in the nature of publicity, promotion or charity; or
- (b) a gift (other than cash or cash equivalents) for traditional festivals, the value of which shall not exceed the applicable cap as revised and announced by the Company from time to time; or
- (c) a red packet of a value not exceeding RMB300 or equivalent on a traditional festival or special occasion (only where in practice the refusal of such red packet might be considered impolite or disrespectful), provided that the Company Personnel shall declare the acceptance of such red packet to the Company in accordance with the procedures in Part D of the Policy as soon as possible; or
- (d) the Entertainment permitted in paragraph 11 below,

provided that in all cases the following principles shall be complied with:-

- (i) the conduct or judgment of the Company Personnel shall not be affected by the acceptance of such Advantage;
- (ii) the Company Personnel shall not feel obliged to act in return for the giver of such Advantage; and
- (iii) the Company Personnel may discuss the acceptance of such Advantage with the Company or any person in public without reservation.

6. If the Company Personnel receives a gift and does not have a reasonable opportunity to decline such gift, the Company Personnel must declare it as soon as possible in accordance with the approval procedures in Part D of the Policy and submit the gift received to the Company Personnel's department/store supervisor or the head of Human Resources and General Administration Department in the Company Personnel's country/region for further instructions. The Company Personnel must comply with any instruction given by the Company in relation to the gift and the Company shall have sole discretion as to the handling of the gift, including but not limited to returning the gift to the giver or otherwise disposing of or donating the gift.

Offering or giving of gifts

7. In all dealings with any of the Company's customer, potential customer, Business Partner or potential Business Partner, the Company strictly prohibits any direct or indirect offer, promise or give of any gift or other Advantage (other than the Entertainment permitted in paragraph 12 below) by the Company Personnel, other than a souvenir bearing the name or trademark of the Company and/or the Company's affiliated companies (the "**Company Souvenirs**"). In addition, the Company Souvenirs must only be offered or given if it is permitted under the policy of the recipient's company or organisation.
8. If the Company Personnel receives a gift from any customer, potential customer, Business Partner or potential Business Partner of the Company under the Policy and wishes to return a gift that is not a Company Souvenir, the Company Personnel must seek prior approval in accordance with the procedures in Part D of the Policy.
9. No Company Personnel shall make any sponsorship or donation on behalf of the Company to any potential or existing Business Partners of the Company unless prior approval has been obtained in accordance with the approval procedures set out in Part D of the Policy.

Entertainment

10. **Entertainment** refers to any invitation to attend, or acceptance of invitation to attend, an event, including food or drink and entertainment, social and sports events, for the purpose of establishing and maintaining a relationship with customers or Business Partners.

Acceptance of entertainment

11. Unless prior approval has been obtained in accordance with the approval procedures set out in Part D of the Policy, the Company Personnel shall not accept or receive entertainment from any of the Company's customer, potential customer, Business Partner or potential Business Partner, except for ordinary business meals or entertainment, social or sports events of a value not exceeding the applicable cap as revised and announced by the Company from time to time. With the exception of ordinary business meals not exceeding the applicable cap, the Company Personnel must declare all activities of Entertainment to which they are invited in accordance with the procedures set out in Part D of the Policy. For the avoidance of doubt, the Company Personnel shall avoid and decline meals or Entertainment that may be perceived as being excessively extravagant or too frequent.

Offering or provision of entertainment

12. Except for ordinary business meals not exceeding the applicable cap as revised and announced by the Company from time to time, the Company Personnel shall not provide Entertainment to any customer, potential customer, Business Partner or potential Business Partner, or potential customers. If the Company Personnel intends to provide Entertainment to Business Partners in excess of the applicable cap, the Company Personnel shall seek prior approval in accordance with the approval procedures set out in Part D of the Policy. For the avoidance of doubt, the Company Personnel shall avoid offering or being considered to offer meals or Entertainment that are excessively extravagant and avoid making invitations that are too frequent.

Dealings with connected persons

13. Unless prior approval has been obtained in accordance with the approval procedures set out in Part D of the Policy, no Company Personnel shall represent and/or cause the Company, its subsidiaries and/or affiliated companies to enter into any agreement, contract, transaction and/or any other business relationship with any spouse, parent, child or stepchild (natural or adopted), or sibling (collectively, the "**Family**") of the Company Personnel and/or any trustee of a trust of which the Company Personnel and/or his/her Family is a beneficiary and/or any company where the Company Personnel and/or his/her Family jointly are entitled to or control 50% or more of the voting rights at general meetings of that company and/or the board of directors or a similar body of that company being controlled by the Company Personnel and/or his/her Family. For the avoidance of doubt, the Company is strictly prohibited from entering into dealings, transactions, contracts and/or agreements with any party in which any Company Personnel and/or his/her Family has any personal or financial interest, directly or indirectly, unless such dealings, transactions, contracts and/or agreements have been fully declared to the Company in advance.

D. Approval procedures

The approval required under the Policy shall be subject to the following procedures:-

- (a) Applications/declarations shall be submitted by email to the head of Human Resources and General Administration Department of the Company with the subject titled "**Application for Approval/Declaration**" and shall include details of the Advantage, its value and other relevant information (including but not limited to the type of person concerned, relationship with the Company, geographical location and due diligence findings (if any), etc.) that may be relevant to the consideration of the application/declaration.
- (b) The head of Human Resources and General Administration Department of the Company will approve the relevant applications/declarations and reply as to the approval results of the relevant applications/declarations by email and provide appropriate instructions on individual application/declaration if necessary.

(c) The Company Personnel are required to follow the approval results and instructions (if any) issued by the head of Human Resources and General Administration Department of the Company in respect of the required approvals as set out in the Policy. If there is any doubt as to the approval results and/or instructions (if any), further consultation shall be made with the head of Human Resources and General Administration Department of the Company.

E. Reporting breaches or suspicious activities

The Company Personnel shall report any actual or suspected breach of the Policy in accordance with the Company's whistleblowing policy.

F. Assisting in investigation

The Company Personnel are obliged to assist and cooperate with the Company's investigation of any misconduct. Failure to cooperate or to provide truthful and accurate information may result in disciplinary action, including possible dismissal.

G. Records

The head of Human Resources and General Administration Department of the Company shall keep and maintain proper records of all applications/declarations of interest.

H. Anti-corruption system

The head of Human Resources and General Administration Department of the Company shall from time to time identify and assess the risks of corruption in the context of the Company and develop mitigation measures accordingly (including the provision of appropriate training and explanations).

I. Policy disclosure

The Policy (or a summary thereof) shall be disclosed on the Company's website.

J. Periodical review

The board of directors of the Company shall review the Policy periodically to ensure its effectiveness and to make amendments if necessary.

(Adopted by the board of directors of the Company on 15 March 2022.)
(If there is any inconsistency between the English and Chinese versions of the Policy,
Chinese version shall prevail.)