GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

WHISTLEBLOWING POLICY

1. General Principles

1.1. Glorious Sun Enterprises Limited (the "Company") and its subsidiaries (collectively, the "Group") are committed to maintaining a fair and impartial business environment, complying with applicable laws and regulations in the course of their business, and upholding high standards of business ethics. The Group has zero tolerance for internal corruption and fraudulent conduct by any employee.

1.2. As part of good corporate governance practice, the Company considers it appropriate to establish relevant and suitable whistleblowing policy and procedures.

1.3. This Policy is intended to enable employees of the Group and relevant third parties (including customers, suppliers and other persons, having business relationships with the Group) to report, with the benefit of the arrangements provided under this Policy, any improper conduct, fraud, breach of regulations or unlawful conduct relating to the affairs of the Group.

1.4. The Company will ensure that reports are handled with due care, including through fair and independent follow-up and investigation, and that whistleblowers' concerns are addressed fairly and appropriately.

2. Reportable Matters / Definition of Fraud

Reportable matters of fraudulent activities include, without limitation, as follows:

2.1. Commercial bribery or acceptance of bribes (including kickbacks) involving third parties, such as the Group's suppliers, distributors, business partners, whether acting as an entity or an individual. Bribery or kickbacks may take any form of benefit, including but not limited to cash and gifts.

2.2. Abuse of authority or use of one's position to enable any entity or organisation in which the individual, or his or her relatives, directly or indirectly holds an equity interest or serves in a management capacity, to enter into any unauthorised direct or indirect economic transaction with the Group, including but not limited to acting as the Group's agent (such as distributor), supplier or business partner.

2.3. Using one's position to divert to a third party or to oneself any transaction or potential transaction that would, in the ordinary course, benefit the Group, including the unauthorised sale of the Group's products or services.

2.4. Misappropriation, theft, buy/sell, or intentional damage of the Group's property.

2.5. Illegal use or misappropriation of the Group's funds.

2.6. Falsification and/or use of false data, information, official documents or records, academic qualifications or certificates.

2.7. Disclosure of the Group's confidential information to external parties or other persons, including but not limited to the Group's technical and business information not publicly disclosed.

2.8. Any form of false expense claim or reimbursement.

2.9. Any other conduct that harms the Group's economic interests or seeks to obtain improper personal benefit.

2.10. Improper or unethical conduct that may adversely affect the Group's reputation.

3. Reporting Channels

3.1. The Chairman of the Group is responsible for handling reportable matters. Whistleblower may report through formal written letter sent by post.

3.2. Written letters should be delivered as follows: the envelope must be clearly marked "Confidential" and "For the personal attention of the Chairman of Glorious Sun Enterprises Limited"; and the letter should be mailed to the Chairman of Glorious Sun Enterprises Limited, at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong.

3.3. The Company expects whistleblowers to explain the reasons that the matter warrants attention. A whistleblowing letter should include the following elements: the name and department of the person(s) concerned; the subject matter; the details of the complaint (including, as far as possible, the time, place, persons involved and specific particulars of the alleged misconduct); supporting evidence, documents and annexes; and the whistleblower's contact details.

3.4. Reports must be truthful and must not be made maliciously or for the purpose of fabricating allegations against others. Whistleblowers are encouraged to report using their real names. Where a report is made anonymously, the whistleblower should provide and maintain an effective means of communication so that the Company may contact the whistleblower; otherwise, the matter may not be capable of being followed up.

3.5. Where the whistleblower's assistance is required for investigative purposes, the whistleblower should cooperate actively with the investigation.

3.6. All the whistleblowing reports shall be copied to the Company's Audit Committee for its attention.

4. Confidentiality of Whistleblowers

4.1. To the extent reasonably practicable, the Group will endeavour to keep the identity of a whistleblower confidential. Where disclosure of the whistleblower's identity is strictly necessary, or where there is a risk that the identity may become known, the Group will use reasonable endeavours to notify the whistleblower in advance that his or her identity may be disclosed and, so far as possible, obtain the whistleblower's consent.

4.2. Where an investigation develops into criminal proceedings, the whistleblower may be required to provide evidence or to be interviewed by the relevant authorities. To avoid impeding the investigation, the whistleblower must also keep confidential the facts reported, the nature of the report and the identities of the persons involved.

4.3. Where a meeting with the whistleblower is necessary, it will be held at a confidential venue and conducted by designated personnel; unrelated persons shall not attend.

4.4. The contents and materials of a complaint or report shall be treated as sensitive information and handled in strict compliance with confidentiality requirements. Such information shall not be disclosed to the person(s) subject to the complaint or report, or to any unrelated persons.

5. Protection of Whistleblowers

5.1. This Policy ensures that all persons who make truthful and appropriate reports will be treated fairly.

5.2. No person may, on any pretext, harass, threaten or retaliate against a whistleblower or his or her relatives. The Company is entitled to take appropriate action against any person who does so, including disciplinary action which may result in dismissal.

5.3. Even where a concern ultimately cannot be substantiated, the Group will ensure that an employee will not be unfairly dismissed, harmed or subjected to improper disciplinary action.

5.4. Where the personal safety or other lawful rights and interests of a whistleblower or his or her relatives are threatened or infringed, the whistleblower should report the matter promptly. The Company will pursue the responsibility of any person who engages in retaliation and, where a criminal offence may have been committed, refer the matter to the judicial authorities where necessary.

6. Handling and Investigation

6.1. The Company will assess every matter received through the whistleblowing channel to determine whether an investigation should be conducted.

6.2. Where the matter is preliminarily considered to be substantially credible and warranting attention, it will be referred, according to the seniority of the persons involved and the scale of its impact, to the appropriate level of management (supervisor, department manager, members of management, or, where necessary, the Board) for a decision on investigation and handling.

6.3. The form and duration of an investigation will depend on the nature and circumstances of the matter, and may include an internal investigation, referral to the relevant public or regulatory authorities, and/or the establishment of an independent investigation team.

6.4. Investigators may request the department and personnel, subject of the complaint or report, to provide relevant information and explanations depending on the requirements of the investigations. The relevant department and personnel shall cooperate.

6.5. Investigators shall submit the investigation findings and recommend course of action to the relevant department.

6.6. Where legal action is contemplated or referral to law-enforcement authorities is proposed, the Group's Legal Division shall first be consulted.

6.7. Upon completion of an investigation, investigators shall prepare a detailed report on the investigation, without disclosing the whistleblower's identity, setting out the investigation findings, recommended actions and remedial and corrective measures, for submission to the Company's management and the Board.

6.8. Upon completion of the investigation, investigators shall provide feedback to the whistleblower on the relevant matters by appropriate means.

7. Policy Implementation and Review

7.1. This Policy has been formally approved and adopted by the Board of Directors of the Company.

7.2. The Board (or its delegate) bears overall responsibility for implementing and regularly reviewing this Policy.

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(Effective from 2022)