

WHISTLEBLOWING POLICY

1 INTRODUCTION

- 1.1 China Kunda Technology Holdings Limited and its subsidiaries ('the Group') are committed to a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements and any legislation relating thereto. In line with this commitment, the Whistleblowing Policy ('Policy') aims to provide an avenue for employees and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.
- 1.2 The Policy is intended to conform to the guidance set out in the Code of Corporate Governance which encourages employees and external parties to raise concerns, in confidence, about possible irregularities.

2 WHO IS COVERED BY THIS POLICY

This Policy applies to all stakeholders of the Group.

3 OBJECTIVES OF THIS POLICY

- 3.1 Deter wrongdoing and to promote standards of good corporate practices.
- 3.2 Provision of proper avenues for employees and external parties to raise concerns about actual or suspected improprieties in matters of financial reporting or other matters and receive feedback on any action taken.
- 3.3 Give employees and external parties the assurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

4 REPORTABLE INCIDENTS

- 4.1 Some examples of concerns covered by this Policy include (this list is not exhaustive):
- Concerns about the Group's accounting, internal controls or auditing matters;
 - Breach of or failure to implement or comply with the Group's policies or code of conduct;
 - Impropriety, corruption, acts of fraud, theft and/or misuse of the Group's properties, assets or resources;
 - Conduct which is an offence or breach of law;
 - Abuse of power or authority;
 - Serious conflict of interest without disclosure;
 - Intentional provision of incorrect information to public bodies;
 - Any other serious improper matters which may cause financial or non-financial loss to the Group, or damage to the Group's reputation;
 - Fraud against investors, or the making of fraudulent statements to the Singapore Exchange Securities Trading Limited, members of the investing public and regulatory authorities;

- Acts to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statements or records of the Group;
 - Concealing information about any malpractice or misconduct.
- 4.2 The above list is intended to give an indication of the kind of conduct which might be considered as “wrong-doing”. In cases of doubt, the whistleblower should seek to speak to his or her immediate superior or follow the procedure for reporting under this Policy

5 PROHIBITION AGAINST REPRISALS

- 5.1 If an employee or external parties raises a genuine concern under this Policy, he or she will not be at risk of having his or her employment contract or benefits terminated by the Group or being demoted in respect of his or her employment or benefits by the Group or being discriminated against or intimidated by or suffering from retribution or harassment as a result provided that so long as the employee or the external party is acting in good faith, it does not matter if he or she is mistaken. An employee or external party who raises a genuine concern under this Policy is also immune from any disciplinary proceedings and/or civil/defamation claims brought against him or her.
- 5.2 However, the Group does not condone frivolous, mischievous or malicious allegations. Employees making such allegations will face disciplinary action in accordance with the Group’s Disciplinary Procedures.

6 CONFIDENTIALITY

- 6.1 The Group encourages the whistleblower to identify himself/herself when raising a concern or providing information. All concerns will be treated with strict confidentiality.
- 6.2 Exceptional circumstances under which information provided by the whistleblower could or would not be treated with strictest confidentiality include:
- Where the Group is under a legal obligation to disclose information provided;
 - Where the information is already in the public domain;
 - Where the information is given on a strictly confidential basis to legal or auditing professionals for the purpose of obtaining professional advice;
 - Where the information is given to the Police or other authorities for criminal investigation.
- 6.3 In the event we are faced with a circumstance not covered by the above, and where the whistleblower’s identity is to be revealed, we will endeavour to discuss this with the whistleblower first.

7 CONCERNS AND INFORMATION PROVIDED ANONYMOUSLY

Concerns expressed anonymously are much less persuasive and may hinder investigation work as it is more difficult to look into the matter or to protect the whistleblower’s position. Accordingly, the Group will consider anonymous reports, but concerns expressed or information provided anonymously will be investigated on the basis of their merits.

8 HOW TO RAISE A CONCERN OR PROVIDE INFORMATION

- 8.1 An employee or external party is encouraged to communicate his or her concern(s) and/or provide information to the Whistle Blowing Committee ("WB Committee") either by way of a letter addressed to the WB Committee or an e-mail transmission to a designated e-mail address at wbcommittee@kunda.com setting out the background, the history of events and the reason(s) for his or her concern(s).
- 8.2 The WB Committee shall consist of 3 members comprising Mr Hau Khee Wee as the Chairman of the WB Committee, Mr Lim Yit Keong and Mr Thomas Lam Kwong Fai as the remaining 2 committee members.
- 8.3 Each concern(s) and/or information received by the WB Committee is to be properly documented and recorded.
- 8.4 The Audit Committee is to be informed quarterly, or immediately as and when the circumstances required, of each concern(s) and/or information received by the WB Committee.
- 8.5 In the event that the concern(s) raised and/or information provided by an employee or external party is in respect of a member of the WB Committee, the employee or external party is to communicate his or her concern(s) and/or provide information to other members of the WB Committee in the same manner referred to in paragraph 8.1 above. The designated e-mail address of the Company is ir@chinakunda.com. Concerns raised to this e-mail address should in the subject title state clearly the following: "Whistle blowing report - Attention [*to insert specific addressee/recipient name*]". The Company will endeavour to forward such emails direct to the intended recipient within one working day, without opening them. Each concern(s) and/or information received in this manner is to be properly documented and recorded.

To allow the Company to effectively investigate your concerns, the following information should be provided, where possible:

Type of concern(s);
Details of parties involved (name of staff/ person(s)/ companies);
Date, time and location of incident;
Value of any assets or money involved;
Evidence substantiating the concerns (if any); and
Any other information that may substantiate the concern(s).

9 IMPORTANT POINTS TO NOTE WHEN RAISING A CONCERN OR PROVIDING INFORMATION

- 9.1 The earlier the concern is raised the easier it is for the WB Committee to take action.
- 9.2 The WB Committee expects the whistleblower to provide his/her concern in good faith and to show to the WB Committee that there are sufficient grounds for his/her concern.
- 9.3 The WB Committee also recognises that the whistleblower may wish to seek advice and be represented by his/her trade union officer.

10 HOW THE WB COMMITTEE WILL RESPOND

- 10.1 The WB Committee assures you that any concern raised or information provided will be investigated, but consideration will be given to these factors:

- Severity of the issue raised;
- Credibility of the concern or information;
- Likelihood of confirming the concern or information from attributable sources.

10.2 Depending on the nature of the concern raised or information provided, the investigation will be conducted by the WB Committee and assisted by one or more of these persons or entities:

- The External or Internal Auditor.
- Forensic Professionals.
- The Police or Commercial Affairs Department,

or the relevant entity that the WB Committee deems appropriate.

10.3 The amount of contact between the whistleblower and the WB Committee and/or the person(s) assisting the WB Committee in its investigation into the concern(s) raised and/or information provided will be determined by the nature and clarity of the matter reported. Further information provided may be sought from the whistleblower during the course of the investigation. Depending on the complexity of the concern(s) raised and/or information provided by an employee, such investigation is to be completed within a reasonable time frame.

10.4 The WB Committee will communicate its findings in respect of its investigation(s) into the concern(s) raised and/or information provided by an employee or external party as soon as it has completed its investigation(s) to the Audit Committee and/or Board of Directors for their necessary action.