

Differ Group Auto Limited

Whistleblowing Policy

1. Applicability

This Whistleblowing Policy (the “Policy”) is approved by the Board on 9th December 2021.

The policy applies to the Differ Group Auto Limited (“the Company” or “we”) and its subsidiaries (collectively, the “Group”).

2. Purpose

The Company is dedicated in building a robust, independent, effective and confidential channel to discover fraud, non-compliance, malpractices, misconduct or irregularity against applicable laws and regulations or policies and guidelines of our Group, which are relating to the Group, joint-venture / associated companies of the Group and directors and/or employee of the Group.

3. Authority

The Board of Director (“the Board”) of the Company holds the final power and responsibilities of designing, implementing and revising this policy from time to time. This Policy has been approved by the Board by way of resolution.

4. Whistleblower

Whistleblower is referred to those who reports Concerned Matters, no matter confirmed or suspicious, to us in good faith.

Whistleblowing in good faith shall be based on reasonable belief that the reporting is true and fair, but not made for malicious or ulterior intention or for gaining injustice or unfair interest or for depriving fair interest of others.

We encourage whistleblower, who can be our employee, business partners, stakeholders or any third parties, to report Concerned Matters to us in good faith.

5. Whistleblower's Protection

The Group will use our best endeavor to ensure whistleblower acting in good faith and the victimized person involved in Concerned Matters (collectively as "Protected Person") are fairly and legally treated and protected and free from unfair treatments, fear of reprisals and retaliation.

We ensure that:

- A. We will keep the identify of Protected Person and/or any documents that may disclose or imply the identify of Protected Person in highest confidentiality;
- B. For the situations and conditions where identities and related documents are subjected to disclosure requirements of applicable laws and regulations, we will use our endeavor to ensure Protected Person are legally and fairly treated;
- C. We will not bring Protected Person to proceeding on the ground that the related Concerned Matter is brought forward to us or that even the Concerned Matter is eventually unsubstantiated;
- D. We will ensure Protected Persons, as our employees, will not be terminated, threatened to terminate, put to disciplinary action or discriminate in any forms on the ground that the related Concerned Matter is brought forward to us or that even the Concerned Matter is eventually unsubstantiated;
- E. We will ensure Protected Persons, as our business partners and stakeholders, will not be terminated from business, threatened to terminate from business, unfairly or unfavorably treated on the ground that the related Concerned Matter is brought forward to us or that even the Concerned Matter is eventually unsubstantiated.

6. Key Whistleblowing Principles and Advices

We encourage whistleblower to report Concerned Matters to us. Below listed are key reporting principles and advices whistleblower may take reference of in the course of filing a report to us.

- A. Whistleblower does not carry to burden to provide absolute proof or full information. However, a report filed with sufficient and/or specific details will facilitate our investigations and follow-up.

B. We accept anonymous whistleblowing. However, leaving a contact will facilitate our investigation and follow-up actions.

C. The fact and information of Concerned Matter shall not be obtained, retained, dispatched or withheld by the whistleblower, or by us upon the receipt of relevant report, against the legal and compliance requirements of applicable laws and regulations.

7. Concerned Matters

In principle, the scope of Concerned Matter covers all kinds of fraud, non-compliance, malpractices, misconduct or irregularity against applicable laws and regulations or policies and guidelines of our Group, which are relating to the Group, joint-venture / associated companies of the Group and directors and/or employee of the Group.

In particular, serious Concerned Matter those actions or intention of action that have led, might have led or will likely to lead to serious criminal or civil liabilities, serious contractual breach, serious violation of internal policies or internal control breakdown, serious damage to the Group's reputation, financial performance, operational efficiencies and compliance abilities.

We respect that the Concerned Matters and related level of impact and implications are subject to the independent and objective judgement of whistleblower in accordance to the best information available to them. A non-exclusive list of examples is presented below.

A. Fraud-related

- (1) Accounting fraud
- (2) Asset misappropriation
- (3) Bribery and Corruption
- (4) Collusion
- (5) Market Misconducts
- (6) Money Laundering
- (7) Securities fraud

B. Compliance-related

- (1) Infringement of Intellectual properties rights
- (2) Infringement of data or personal privacy

- (3) Unauthorized transactions
- (4) Untold conflict of interest
- (5) Untold connected transaction
- (6) Inside information leakage
- (7) Management override or serious breach of the Company's key policies

C. Key risk-related

- (1) Events, risks or conditions of the Company that might jeopardize the health and work safety of members of the Group
- (2) Events, risks or conditions of the Company that might jeopardize the environment
- (3) Events, risks or conditions of the Company that might jeopardize the reputation of the Group

8. Whistleblowing channel

Any Employees, business partner, stakeholder or third party who is intended to file a whistleblowing report shall send the Whistleblowing Report Form as attached in Appendix 1, with sufficient and specific information.

The Whistleblowing Report Form shall be delivered to either:

- By mail: Suites 501-05 on 5th floor, AIA Central, No.1 Connaught Road Central, Hong Kong
- By email: whistleblower@dfh.cn

The Whistleblowing Report Form shall be delivered to:

Independent Non-Executive Directors and Company Secretary.

The address of our principal place of business in Hong Kong may be updated from time to time and shall be found on our website or latest Company Information Sheet filed onto HKEx News <https://www.hkexnews.hk>.

9. Responsibilities of the Board

The Board holds the final responsibilities of implementing this policy and delegate the initial assessment function and monitoring function to the either Chairman of the Board, Chairperson of Audit Committee or Company Secretary of the Company. The key responsibilities are summarized below:

- A. Receive whistleblowing report independently;
- B. Maintain whistleblowing records in highest confidentiality;
- C. Perform initial assessment of reported Concerned Matters objectively;
- D. Escalate reported Concerned Matters of higher possibilities and/or impacts to the Board timely;
- E. Advise the Board if further independent investigations into reported Concerned Matters of higher possibilities shall be conducted, where if an independent investigation is to be conducted, advise the Board of the appointment of an independent and competent investigation team;
- F. Monitor the effectiveness of investigation, arranged and by the Board;
- G. Monitor the whistleblower's protections on Protected Persons are strictly preserved and enforced;

Subject to the approval by a board resolution, the Board shall:

- i. Conclude on the result of investigations into reported Concerned Matters and concluding the relevant impact on the Group, relevant Protected Persons.
- ii. Take reasonable steps to response to the Concluded Concerned Matters, including but not limited to taking disciplinary actions and bringing legal proceedings.
- iii. Take reasonable steps to prevent future occurrence of future cases similar to the involved Concerned Matters, including but not limited to revising internal policies and internal controls.

APPENDIX 1

Differ Group Auto Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 6878)

WHISTLEBLOWING REPORT (STRICTLY CONFIDENTIAL)

If you wish to report a matter concerned to you, please provide the following information which will be kept in a strictly confidential manner.

1. Whistleblower's Information:

Name	Note: We accept anonymous whistleblowing. However, leaving a contact will facilitate our investigation and follow-up actions.
Company:	
Contact Information:	

2. Whistleblower's Declarations:

A. I am filing this report in good faith and not for malicious or ulterior intention or for gaining injustice or unfair interest or for depriving fair interest of others.

Yes

No

B. I have reasonable belief that I have direct evidence of the reported concerned matter

Yes

No

C. I have reasonable belief that I have circumstantial evidence of the reported concerned matter

Yes

No

D. I wish the Company to contact me for further follow-up

Yes

No

3. Nature of Concerned Matter:

Please select one or more nature the concerned matter is likely to belong.

Fraud-related

Compliance-related

Other key-risk-related

Other, please specify: _____

4. Nature of Concerned Matter:

Please provide sufficient and specific information about the concerned matter you wish to report.

Parties involved:	Name: Title: Company:
	Name: Title: Company:
	Name: Title: Company:
	Name: Title: Company:
	Name: Title: Company:
When were you first aware / suspect of the concerned matter?	
How were you first aware / suspect of the concerned matter?	

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Details of Concerned Matter

Supplementary Evidence submitted / available to submit:

Signature of Whistleblower

Date of filing: _____