



DIGITAL HOLLYWOOD INTERACTIVE LIMITED

遊萊互動集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2022)

ANTI-CORRUPTION AND BRIBERY POLICY

Purpose

Digital Hollywood Interactive Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) are committed to abiding by all laws and regulations or if necessary to exceed them, to prevent corruption and bribery in all business dealings. This Anti-corruption policy (the “**Policy**”) provides information and guidance to our personnel on how to recognize and deal with bribery and corruption, and applies to all employees and contract workers of the Group (collectively, the “**Employees**”).

The Group is committed to achieving the highest standards of ethical business conduct and has zero tolerance for corruption and related malpractice. The Group will use their best endeavors to implement this Policy. All Employees are prohibited from soliciting, accepting or offering advantages from or to clients, suppliers or any person having business dealings of any kind with the Group. All Employees must understand and conduct their activities in full compliance with this Policy, the Prevention of Bribery Ordinance (Cap 201 of the Laws of Hong Kong) (the “**POBO**”), and all other applicable laws relating to bribery or corruption in each jurisdiction in which the Employees do business.

Scope

This Policy applies to all personnel of the Group, including the directors of the Company (the “**Directors**”) and Employees at all levels and others who may provide services to or act on behalf of the Group. No one in the Group should be exempted from this Policy, including the Directors and senior executives. All Directors and Employees are required to exercise good judgement and act in the Group’s interest at all times.

Corruption and bribery include any illicit advantage offered or accepted as an inducement to or a reward for performing or abstaining from performing any duties. Items considered bribes include cash, cash equivalents, loans, commissions, benefits in kind or other advantages, but excluding traditional gifts of nominal value given during festive seasons.

Fraud generally involves any deceptive conduct with the intention of making some form of financial or personal gain or causing another person to suffer a loss, and includes money laundering, obstruction of justice, deception, bribery, forgery, extortion, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

In this Policy, the following words shall have the meanings set out below:

“advantage” shall mean paying or giving anything of value directly or indirectly, or any other action, such as any office, employment or contract; any payment or discharge of any loan or other liability; any other service or favour; the exercise or forbearance from the exercise of any right or any power or duty; and any offer, undertaking or promise;

“bribes” shall mean anything of value given in an attempt to affect a person’s actions or decisions in order to gain or retain a business advantage;

“hospitality” shall mean meals, receptions, tickets to entertainment, social or sports events; and

“kickback” shall mean the return of a sum already paid or due as a reward for awarding further business.

“entertainment” refers to entertainment as defined in the POBO, i.e. food or drink provided for immediate consumption on the occasion, and any other entertainment provided at the same time.

Anti-Corruption and Bribery

All Employees are expected to comply with all applicable laws, rules and regulations in relation to anti-corruption and bribery, and adhere to the following:

- no acceptance of improper payments, kickbacks and other forms of bribery;
- no payment, offer, solicitation, proposal of terms for, or acceptance of, bribes directly or with the assistance of any organization or individual;
- no attempt to circumvent any anti-corruption and bribery provisions through the use of agents, partners, contractors, family members or any others acting on someone’s behalf;
- no offer or acceptance of any gift, gratuity or hospitality that might be perceived to unfairly influence a business relationship; and
- no acceptance of lavish or frequent entertainment from persons with whom the Group has business dealings if, by doing so, it might be perceived that the employees are placing themselves in a position of obligation to the offeror.

This Policy should be read in conjunction with the Group’s Business Ethics and Code of Business Conduct Policy and Gift Governance Statements which together set out the minimum standards to assist employees in recognizing circumstances which may lead to or give the appearance of involvement in corruption or bribery.

Conflict of interest

All Employees shall avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Group) or the perception of such conflicts. When actual or potential conflict of interest arises, the subject Employee shall make a declaration to the Directors of the Company.

Records, accounts and other documents

All Employees shall ensure that all records, receipts, accounts or other documents they submit to the Company give a true representation of the facts, events or business transactions as shown in the documents. Intentional use of documents containing false information to deceive or mislead the Company, regardless of whether there is any gain or advantage involved, is prohibited.

All Employees must not knowingly commit, be a party to, or be otherwise involved in fraud.

Appropriate levels of diligence may be conducted in engaging parties with a business relationship with the Group, for example, know your client, including its background, qualifications and reputation.

The Company shall establish a robust financial and accounting control system, including adequate segregation of duties, authorisation controls and logging of entries or changes to ensure accuracy and completeness of its books of account, as well as to prevent or detect any irregularities. Such system is subject to regular review and audit.

Accurate records of all company transactions and business courtesies must be kept. All receipts and expenditures must be supported by documents that describe them accurately and properly. The falsification of any book, record or account of any company within the Group is prohibited.

The Group shall conduct risk assessment regularly to identify and evaluate corruption risks. Internal control systems are designed and established to maintain effective monitoring and/or elimination of corruption risks. An effective whistleblowing system is in place to enable concerns to be raised without fear.

Reporting

Every employee has a duty to timely report any potential violations of this Policy and an Employee who receives an offer of bribery must immediately report to his/her supervisor and/or the Audit Department.

All Employees must cooperate fully and openly with any investigation into any alleged breaches of this Policy or any suspected corrupt or fraudulent activities. Failure to comply with applicable anti-corruption laws, or internal requirements related to anti-corruption may result in disciplinary action (which may include immediate termination) and where applicable, criminal prosecution against the parties concerned.

Training and communication

The Company shall make this Policy available to all Employees. The Company shall provide regular anti-corruption trainings and briefings to all Employees. Further trainings will also be arranged to ensure that all Employees are aware of the Company's anti-corruption practices as well as the compliance with laws, regulations and standards of conduct, which are relevant for their field of business.

It is the responsibility of every manager or key employee to communicate this Policy. Managers or key employees shall ensure that all Employees reporting to them, and external parties within their area of responsibility working on behalf of their respective companies, understand and comply with the prohibitions in this Policy.

The Company's zero-tolerance approach on bribery and corruption will, where appropriate, be communicated to customers, suppliers, contractors and business partners.

Review of this Policy

The Company will review this Policy from time to time as appropriate, and in any event, once every three years.

This Policy shall be available on the Company's website.

* *For identification purpose only*