

Wing Lee Development Construction Holdings Limited

榮利營造控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9639)

POLICY ON INDEPENDENCE OF DIRECTORS

BACKGROUND

Wing Lee Development Construction Holdings Limited 榮利營造控股有限公司 (the “**Company**”) is committed to adopting the highest standards of corporate governance. This policy has been developed after consideration of corporate governance standards in Hong Kong as well as the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

PURPOSE

The purpose of this Policy statement is to:

- (a) Specify the test that will be used by the board (the “**Board**”) of directors (the “**Directors**”) of the Company to assess the independence of each independent non-executive director of the Company (the “**INED**”); and
- (b) Outline the disclosure to shareholders of the assessment of independence of INEDs.

TEST OF “INDEPENDENCE”

The test of independence will be used by the Board to determine the independence of any INED. The criteria are:

- (a) Whether or not he/she or his/her immediate family member¹ holds more than 1% of the number of issued shares of the Company;
- (b) Whether he/she or his/her immediately family member has received an interest in any securities of the Company as a gift, or by means of other financial assistance, from a core connected person (as defined under the Listing Rules) of the Company or the Company itself;

¹ “Immediate family member” include his/her spouse, his/her spouse’s child or step-child, natural or adopted, under the age of 18 years.

- (c) Whether he/she or his/her immediate family member is or was a director, partner or principal of a professional adviser which currently provides or has within two years immediately prior to the date of his/her proposed appointment provided services, or is or was an employee of such professional adviser who is or has been involved in providing such services during the same period, to:
- (i) the Company, its holding company or any of their respective subsidiaries or core connected persons; or
 - (ii) any person who was a controlling shareholder (as defined under the Listing Rules) or, where there was no controlling shareholder, any person who was the chief executive or a director (other than an INED), of the Company within two years immediately prior to the date of the proposed appointment, or any of their close associates;
- (d) Whether he/she or his/her immediate family member currently, or within one year immediately prior to the date of the person's proposed appointment, has or had a material interest in any principal business activity of or is or was involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any core connected persons of the Company;
- (e) Whether he/she is on the Board specifically to protect the interests of an entity whose interests are not the same as those of the shareholders of the Company as a whole;
- (f) Whether he/she or his/her immediate family member is or was connected with a director, the chief executive or a substantial shareholder of the Company within two years immediately prior to the date of his/her proposed appointment;
- (g) Whether he/she or his/her immediate family member is, or has at any time during the two years immediately prior to the date of his/her proposed appointment been, an executive or director (other than an INED) of the Company, of its holding company or of any of their respective subsidiaries or of any core connected persons of the Company;
- (h) Whether he/she or his/her immediate family member is financially dependent on the Company, its holding company or any of their respective subsidiaries or core connected persons of the Company;
- (i) Whether he/she or his/her immediate family member has any past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected persons of the Company; and
- (j) Whether he/she or his/her immediate family member has any management function in the Company or its subsidiaries.

INEDs shall update the Board with any new information in relation to interests or relationships relevant to independence. The Board will assess the independence of INEDs upon appointment and re-election, and then annually; and will re-assess determinations of independence when any new interests, positions or relationships are disclosed by the INED.

LANGUAGE

This Policy is available in the English and Chinese language. In case of inconsistency, the English version shall prevail.

DISCLOSURE

The Company shall disclose in its annual report, with regards to an INED appointed during the financial year, the reasons why such an INED was and is considered independent if he/she has failed to meet any of the independence tests above. The Company shall also confirm in its annual report whether it has received from each of the INED an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and whether the Company still considers the INED to be independent.

These Procedure is made available on the website of the Company.

8 October 2024