



Compliance Audit report – RJC Audit and compliance with Code of Practice /Money laundering/Monitoring Transaction/World Diamond Council and System of Warranties/Ethical Standard Commitment/Product Security

To,

Management

HGH Concept Ltd.

Dear Sir,

Subject: Internal audit report for the RJC Compliance -2021

RJC Compliance: The company has carried out ethical business practice and carried out policy and procedure review with respect to its implementation. The company has complied with latest RJC Code of Practice and all its requirements.

Financial Compliance – Compliance officer has checked all documents related to AML & CFT for the 2021. No discrepancies have been found during the course of audit. The Company has complied with applicable regulations, policy, systems & procedures with respect to AML/CFT. All invoices, expense vouchers, bank statements, bank book and cash ledger have been verified with respect to financial transactions taken place during the quarter and no suspicious transaction was detected involving money laundering, terrorism of financing, bribery, facilitation payment and inappropriate gift. The company has complied with the OECD requirement and not sourced any Minerals or metals from Conflict Affected and High Risk Areas.

WDC-SOW--I have examined the relevant documents maintained in respect of purchase and sale of diamond during the quarter and confirm that all the invoices contain WDC/SOW declarations as applicable. No discrepancies were found on reconciliation of "warranty in" and "warranty Out".

Ethical Standard/Commitment-- No practice or conduct observed during the assessment period that brings the diamond industry into disrepute. All business practices have adhered to national laws and applicable rules and regulation during the assessment period..

Product Security—There were no breach of Product security pertaining to product theft, damage or substitution during shipment/within premises.

Provenance claim—The company has set the policies and procedure and strictly compliance software based stock control system along with supplier due diligence procedure to ensure compliance pertaining to Provenance claim during assessment period.

This report has been issued to the management in line with requirements of company's policy, systems and procedures.

Prepared by

Compliance Officer

Date: 20/04/2022