

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



智富資源投資控股集團有限公司

WISDOM WEALTH RESOURCES INVESTMENT HOLDING GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 7)

KEY FINDINGS AND RESULTS OF INTERNAL CONTROL REVIEW

This announcement is made by Wisdom Wealth Resources Investment Holding Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 28 March 2024, 15 April 2024, 14 May 2024, 14 June 2024, 31 July 2024 and 30 August 2024 in relation to, among others, delay in publication of annual results for the year ended 31 December 2023 (“**2023 Annuals Results**”) and the interim results for the six months ended 30 June 2024 (“**2024 Interim Results**”); (ii) the announcements of the Company dated 9 July 2024, 7 October 2024, 2 January 2025 and 14 March 2025 in relation to, among others, the Resumption Guidance, quarterly update on status of resumption and additional Resumption Guidance; (iii) the announcements of the Company dated 5 November 2024, 6 November 2024 and 21 November 2024 in relation to the change of auditors of the Company; (iv) the announcements of the Company dated 27 November 2024, 18 December 2024 and 14 April 2025 in relation to litigations of the Group; and (v) the announcement of the Company dated 17 April 2025 in relation to, among others, the key findings of special review (collectively, the “**Announcements**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As disclosed in the announcement of the Company dated 14 March 2025, the Stock Exchange imposed the additional resumption guidance on the Company, requiring the Company to conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules. To comply with the Resumption Guidance and pursuant to the recommendation of the Review Team, the Company engaged SHINEWING Risk Services Limited as the internal control adviser (the “**IC Adviser**”) to conduct an independent internal control review (the “**IC Review**”) and a follow-up review (the “**Follow-up Review**”) on the remedial measures taken by the Company to assist management of the Company in strengthening the internal control system of the Group. The IC Adviser issued the internal control report (the “**IC Report**”) on 12 June 2025.

The IC Review covered (i) the operating procedures in the entity level and activity level, covering the period from 1 October 2024 to 31 December 2024; and (ii) the Outstanding Audit Matters, covering the period from 1 March 2023 up to 30 September 2024. The Follow-up Review covered the period from 1 January 2025 to 6 May 2025.

KEY FINDINGS AND RESULTS OF THE IC REVIEW

Reference is made to the announcement of the Company dated 17 April 2025 (the “**Special Review Announcement**”) in relation to, among other things, the key findings of the Special Review. As disclosed in the Special Review Announcement, the Review Team has identified certain internal control deficiencies based on the findings of the Special Review and has recommended the Board to take appropriate measures to improve the internal control system. The Group has implemented relevant remedial measures as follows:

Identified Deficiencies	Remedial Measures Implemented
1 Inadequate disclosure of information, and Change in Use of Proceeds was not timely announced	<p>Compliance procedures and policies</p> <p>The management has established policies and procedures in relation to compliance with Chapter 13 (Continuing Responsibilities), Chapter 14 (Notifiable Transactions), Chapter 14A (Connected Transactions) of the Listing Rules and Part XIVA (Disclosure of Inside Information) of the Securities and Futures Ordinance, which have been submitted to the management for approval and have been issued to staff for implementation.</p> <p>Please also refer to the section headed “Compliance procedures and policies” for reference.</p>

Identified Deficiencies**Remedial Measures Implemented**

Use of proceeds management

The Group has established a fund-raising register, which includes the name of fund-raising, time, amount and utilisation of fund-raising, etc. The register will be prepared in a timely manner upon the occurrence of new fund-raising matters. Upon completion of the compilation by the relevant staff, it will be submitted to the relevant management for signature and review. The above process has also been included in the management policy and circulated to the responsible personnel after approved by the management. In addition, the Group has established the “Financing Management Policy”, which specifies that the funds raised shall be used strictly in accordance with the purposes and budgets drawn up in the financing plan, and that any change in the use of the proceeds must be made only after obtaining the prior consent of the institution approving the financing plan or its authorised institution, as well as the approval of the Board. The management of the Group is responsible for monitoring the use of the funds obtained from financing to ensure that the relevant funds are utilised in accordance with the plan, and preparing written reports and escalating to the Board when significant issues are identified.

Please also refer to the paragraph headed “B.2.7 Fund Raising and Authorization Approval Policy” in this announcement for details.

Identified Deficiencies	Remedial Measures Implemented
<p>2 (i) Unclear approval authority;</p> <p>(ii) Lack of a written approval mechanism from the Board for significant expenditures; and</p> <p>(iii) Irregular financial records</p>	<p>Authorization and approval management</p> <p>The Group has established a unified authorisation and approval policy, setting out different levels of approval authority for the use of funds of different amounts, types or purposes, and for significant and general matters. Significant matters such as annual operation plans, annual budgets, annual investment and financing plans and adjustments and the introduction of material projects are also required to be submitted to the Board for consideration. The above authorisation and approval policy has been reviewed and issued to employees and subsidiaries of the Group, and employees and subsidiaries are required to strictly implement it. In addition, according to the sample of expense reimbursement obtained by the IC Adviser, the relevant personnel have conducted expense reimbursement approvals in accordance with the above authorisation approval policy.</p> <p>Please also refer to the paragraph headed “B.2.7 Fund Raising and Authorization Approval Policy” in this announcement for details.</p> <p>Management of subsidiaries</p> <p>The management has established the “Subsidiary Management Policy”, which includes the management responsibilities of subsidiaries, reporting and approval authorities for significant matters, information disclosure requirements and audit supervision, etc. The relevant policy and procedures have been approved and implemented by the management, and issued to the employees for compliance.</p> <p>According to the “Subsidiary Management Policy”, the management of subsidiaries is required to report to the management of the Group in a timely manner on the monthly operation of subsidiaries, including various important information such as financial information. Subsidiaries have reported monthly financial information and other important information to the management of the Group.</p> <p>Please refer to the paragraph headed “A.3 Litigation Policy and Subsidiary Management” in this announcement for details.</p>

Identified Deficiencies

Remedial Measures Implemented

Significant Matters Reporting

The management has established the Significant Matters Reporting Policy, which includes the definition of significant matters, identification of significant matters, decision-making authority and procedures for significant matters, disclosure procedures for significant matters, and information confidentiality and other procedures. The said policy and procedures have been submitted to the management for approval and issued to employees.

Please also refer to the paragraph headed “A.8 Significant Matters Reporting Management” in this announcement for details.

Financial Entry Management

The management has established the “Financial Reporting Management Policy”, which stated that the bookkeeping vouchers should be based on the actual circumstances of the transactions and should be credited and debited with debit amount and credit amount respectively, which will be reviewed and approved by the management of finance department after the completion of the preparation. The above policy has been approved by the management and has been issued to the staff and is required to be strictly enforced.

Please also refer to the paragraph headed “B.1.1 Budget Management, Accounting System and Financial Reporting, Accounting Entry and Connected Person Management” in this announcement for details.

Identified Deficiencies**Remedial Measures Implemented**

- 3 Inaccurate and untimely registration of corporate information changes

License and corporate information filing record

The management has established a license and corporate information filing register to keep track of license processing matters and corporate information filing matters, which includes the content of license/matters, processing time, person in charge, processing progress and results, etc. The management is responsible for ensuring the accuracy of license and corporate information registration information by logging into the relevant platforms on a monthly basis to ensure that relevant filing is consistent with the actual situation of the license and corporate information register, and after confirming correctness, the person in charge will register the confirmation result in the license and corporate information register. In addition, the management will also review the status of license and corporate information registration matters semi-annually and sign the license and corporate information register to confirm the status.

In addition, the Group has established the “License Management Policy” and the “Enterprise Corporate Information Management Policy”, the contents of which include, but are not limited to, types of licenses and business registration matters, updating of information, application and approval process, file management, job responsibilities and regular reporting and supervision. The aforesaid policies have been approved by the management and issued to employees.

Please refer to the paragraph headed “A.6 License and Business Registration” in this announcement for further details.

Identified Deficiencies**Remedial Measures Implemented**

- 4 (i) Inadequate and tax
 contract provisions;
 and
- (ii) Inadequate
 mechanisms for
 the maintenance of
 contract files

Contract management

The management has established the Group's unified "Contract Management Policy", which includes but is not limited to contract negotiation and drafting, contract approval and signing, performance management, contract change and termination, management of contract stamp, regular training and contract storage. The management policy has been approved by the management and issued to the employees and the subsidiaries of the Group.

In addition, the Group has established a contract ledger to register contract information, including contract name, contract number, contractual parties and contract amount. Currently, the Group's contracts are stored in locked filing cabinets and maintained by designated staff. The management will also consider the use of electronic tools for the storage and backup of contract files where necessary to ensure the completeness and traceability of the document records.

Please refer to the paragraph headed "A.7 Contract and File Management" in this announcement for further details.

Identified Deficiencies

Remedial Measures Implemented

File Management

The management has established a “Records Management Policy”, which includes but not limited to types of records and management departments, archiving management, confidentiality management of records, storage, use and borrowing of records and destruction of records, etc., which also includes updating and reviewing of the records ledger. The management policy has been approved by the management and issued to the staff for compliance.

In addition, the Group has compiled an account for archives created after April 2025, which includes the name, type, file number, department in charge, filing date and storage location of the archives, etc. As for the files created before April 2025, the management has requested the staff in charge to sort out and record the file information in the above ledger, which is expected to be completed by June 2025. The management will monitor the file management situation on a quarterly basis to ensure the standardisation of file management.

Please refer to the paragraph headed “A.7 Contract and File Management” in this announcement for further details.

- 5 Missing or inadequate management policies

Management policies

The Group has established and updated various internal control policies, including but not limited to management policies for the imprest, financial reporting, external investment, financing, tax, cash, seal, working capital, budget, confidentiality, procurement, loans and imprests for directors and senior executives, real estate project construction and development and real estate lease, sales, inventory, fixed assets and human resources. The management has incorporated the suggested procedures into the management policy and reviewed the description of the existing policy to ensure that the policy and procedures are consistent with the current actual operation. The internal control policies have been submitted to the management for approval and implementation, and have been circulated to staff for compliance.

Please refer to the paragraph headed “A.5 Management Policies” in this announcement for further details.

The key internal control findings identified by the IC Adviser, the corresponding rectification recommendations, the Company's responses and the remediation status are summarised as follows:

A. Entity Level – COSO Framework

	Key Findings	Recommended Rectification	Rectification Status
A.1	Guidelines on Economic Sanctions, Anti-Bribery and Anti-Money Laundering		
	<p>The Group had not (i) established guidelines on anti-economic sanctions, including the identification of sanctioned countries or persons, reporting, and handling of transactions/dealings with sanctioned countries or persons; or (ii) established anti-bribery and anti-money laundering guidelines, nor had it provided relevant training to employees to remind them to avoid committing the relevant crimes and to explain the corresponding monitoring and follow-up procedures.</p>	<p>Management should consider establishing guidelines for countering economic sanctions, which should include regular anti-economic sanctions risk assessments, reporting procedures for group sanctioned individuals, processes for identifying whether customers and suppliers are targets of economic sanctions, reporting procedures, and the person or department responsible for receiving information and reporting and the processing procedures.</p> <p>Management should consider establishing comprehensive anti-bribery and anti-money laundering guidelines to explain the corresponding definitions, monitoring and follow-up processes, and circulate relevant guidelines to employees on a regular basis and provide appropriate training. At the same time, management should also consider regularly updating guidelines in accordance with relevant regulatory requirements and providing training to employees to refresh their awareness.</p>	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
A.2 Conflicts of Interest and Succession Planning		
<p>The Group set out the conflict of interest requirements in the employment contracts of its employees, however, it had not formulated a conflict of interest management policy, including a reporting mechanism for conflict of interest, a regular declaration process and a declaration form, etc. The Group required Directors and senior management to declare their interests in case of conflict, but did not require them to do so on a regular basis.</p>	<p>Management should consider establishing a management policy to deal with conflicts of interest, including procedures for reporting conflicts of interest and declaration of interest forms, and requiring Directors and senior management to make declarations when required or annually and to maintain written records of their declarations of interest.</p>	Remediation completed
<p>The Group had not established a management policy and plan for the succession of key positions. As the Group's business relies heavily on the experience and knowledge of senior management to determine the business direction, the absence of a succession plan for key positions might affect the daily operation of the Group if employees in key positions leave or resign.</p>	<p>The management should consider establishing a written management policy and succession plan for senior management and Directors that describes the successors for each position, how they will be evaluated and how often they will be updated. Human resources and related departments should also consider the retention of employees through career development and training and effective resource planning.</p>	

Key Findings	Recommended Rectification	Rectification Status
A.3 Litigation Policy and Subsidiary Management		
<p>It is understood that the Group is currently involved in litigation cases and legal disputes in relation to the day-to-day operation of its business, and the Group has appointed a third-party legal adviser to handle the relevant litigation matters. However, the Group had not established a written management policy in relation to the approval and handling procedures of legal matters such as litigation and legal disputes. In addition, the Group had not established a litigation ledger to record the subject matter of the litigation.</p>	<p>The management should consider formulating a management policy for the approval and handling of legal matters such as lawsuits and legal disputes, stating the department in charge of the process, the person in charge, the workflow and the authority for approval, etc., and submitting the final draft of the management policy to the relevant management for approval. In addition, the management should also consider requiring the relevant departments to establish litigation ledger to record the subject matter of the litigation, including but not limited to the case number, information of the parties, the amount of the subject matter and the progress of the litigation.</p>	Remediation completed
<p>The Group currently has subsidiaries including Beijing Yinghe and Guangdong Gangyue. It is understood that the management of the subsidiaries would from time to time report the operation of the subsidiaries and other important matters to the management of the Group's head office verbally or otherwise, however, no written reports and review records of the management of the Group's head office had been kept. In addition, the Group had not established a relevant management policy for the management of its subsidiaries.</p>	<p>Management should consider requiring the management of subsidiaries to maintain written reports when reporting to the Group's head office, and requiring the management of the Group's head office to maintain a record of the review of the said reports. Management should also consider establishing a management policy for subsidiaries, which should include the division of labor, division of authority and responsibility, reporting and decision-making mechanisms, information disclosure and monitoring procedures. The management policy should be submitted to the management for approval and then issued to the relevant personnel.</p>	

Key Findings	Recommended Rectification	Rectification Status
A.4 Risk Management Mechanisms		
<p>The management closely monitored the day-to-day operations of the Group and holds meetings with the heads of departments on a regular basis or as and when necessary to discuss the risks that the Group was facing or had the opportunity to face and the corresponding countermeasures. The Wisdom Wealth Resources Investment Holding Group Limited Procedure Manual briefly describes the definition and frequency of risk assessment, etc. However, the Group had not yet established a comprehensive risk management mechanism to standardize the protocol of assessing, monitoring and following up risks such as market, credit, operational, environmental (including climate-related), social and governance risks.</p>	<p>Management should consider developing a comprehensive risk management policy for the Group, which should include, but not be limited to framework and scope of risk management, setting business goals, a protocol for regularly assessing and monitoring corporate risks and operating environment, risk reporting, risk mitigation plan development protocol and tracking of risk mitigation plan implementation, risk detection and early warning mechanism, responsibilities and authorities of risk management personnel and monitoring responsibilities of management and the Board.</p> <p>The management should also consider regularly reviewing and updating the management policy to keep pace with the Group's business development.</p>	<p>Remediation completed</p>

	Key Findings	Recommended Rectification	Rectification Status
A.5	Management Policies		
	<p>The management had prepared relevant management policies for some of the Group's business processes, including the Wisdom Wealth Resources Investment Holding Group Limited Procedure Manual and the corporate structure and management rules (including financial management rules, personnel management rules, seal management rules and contract management rules, etc.) of Guangdong Gangyue. However, it is found that the management had only verbally conveyed certain work processes to the staff but had not fully included them in the management policies.</p>	<p>Management should consider incorporating the relevant procedures into the management policies and ensure that the descriptions in the management policies are consistent with actual operations. The management policies should be submitted to management for approval and issued to employees.</p> <p>Management should ensure the transparency, compliance and continuous improvement in policy execution through (i) self-monitoring by business units; (ii) supervision and guidance by the Board; and (iii) independent checks by internal audit.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
A.6 License and Business Registration		
<p>It is understood that the Group's licenses and industrial and business registration matters are currently handled by the administrative personnel of each company. After receiving the processing notice, the handling personnel would be responsible for handling it in accordance with the requirements of the relevant government agencies. However, the Group did not establish a registration book for certificates and industrial and business registration matters to record the content of certificates/ industrial and business registration matters, processing time, processing personnel, processing progress and results, etc. In addition, the management did not regularly review the status of the processing of licenses and industrial and business registration matters to determine the progress and completion status of the processing.</p> <p>The Group had not established a management policy for licenses and industrial and business registration matters.</p>	<p>Management should consider to:</p> <ul style="list-style-type: none"> • require relevant personnel to establish a register of licenses and business registration matters, including the content of the license/matters, processing time, processing personnel, processing progress and results, etc.; • require the person in charge to log in to the relevant platform regularly to check the license and industrial and business registration information to ensure that the content and actual situation of the license and industrial and business registration register are consistent; • regularly review the status of licenses and business registration matters and keep review records; and • establish a management policy for licenses and business registration matters, including but not limited to types of licenses and business registration matters, information updates, application and approval procedures, file management, job responsibilities, and regular reporting and supervision. The management policy should be submitted to the management for approval before being issued to the relevant employees. 	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
A.7 Contract and File Management		
<p>Before signing a contract, the handling staff would conduct a preliminary review of the contract terms and then submit them together with the proposed contract to the management or Board for approval. The contract would be signed after approval. Although Guangdong Gangyue had established contract management regulations to regulate the contract signing and performance processes, it is understood that the said regulations did not apply to other companies in the Group. The Group had not established a unified contract management policy. In addition, the Group did not establish a contract ledger to record contract information.</p>	<p>The management should consider establishing a unified contract management policy for the Group, which should include but not be limited to contract negotiation and drafting, contract approval and signing, terms compliance management, contract changes and terminations, contract seal management, regular training and contract custody, etc., and require that major contracts must be reviewed by legal personnel before they can be signed. After approval by management, the management policy should be promptly issued to employees of the headquarters and subsidiaries. In addition, management should also consider requiring relevant departments to establish a contract ledger to record contract information, including the contract name, contract number, contracting parties and contract amount. In addition, management should consider using electronic tools to store and back up contract files to ensure the completeness and traceability of document records.</p>	Remediation completed
<p>All types of files of the Group (including financial files, contracts and other files, etc.) were kept in filing cabinets by dedicated personnel in the corresponding departments. However, the Group had not established a file management policy. In addition, the Group had not established an archive ledger to effectively manage various types of archives.</p>		

Key Findings	Recommended Rectification	Rectification Status
	<p>Management should consider establishing an archive management system, the content of which should include but not be limited to archive types and management departments, filing management, confidentiality management, storage, use and borrowing, and archive destruction. In addition, management should also consider requiring relevant departments to establish a file ledger, which should include the file name, type, file number, responsible department, filing date and storage location. Management should regularly check the archive management situation to ensure the standardization of archive management.</p>	

Key Findings	Recommended Rectification	Rectification Status
A.8 Significant Matters Reporting Management		
<p>It is understood that for significant matters, employees would report to management, and management would also report to higher-level management and the Board based on the importance of the matter. However, it is found that the Group had not established relevant management policies for reporting of significant matters.</p>	<p>The management should consider establishing a management policy for the reporting procedures of significant matters. The content should include the definition of significant matters, identification of significant matters, decision-making authority and procedures for significant matters, disclosure procedures for significant matters and information confidentiality. The management should regularly review the policy to ensure that the description of the management policy is consistent with actual operations. Matters such as proposed changes in the use of raised proceeds should be treated as important matters and submitted to the management and the Board for approval. The above policy should also include the monthly or quarterly reporting process to the Board to ensure that the Board has a full understanding of the Group's operating conditions and potential risks.</p> <p>Management should require all relevant employees to strictly follow and implement management policies and work procedures, and management should conduct timely monitoring to prevent deviations.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
A.9 Whistleblowing Policy		
<p>A sound whistleblowing policy can help management collect opinions from different stakeholders, from which they can make corresponding improvements to enhance the efficiency of the group. Although the Group had stated in the Wisdom Wealth Resources Investment Holding Group Limited Procedure Manual that employees may report to their direct supervisors or the board and relevant management requires timely follow-up upon receipt of reports, however, the above-mentioned Procedure Manual did not include the identification of improper behavior, specific reporting channels, reporting scope, confidentiality measures and procedures, reporting handling and feedback, case investigation process and protection measures for whistleblowers.</p>	<p>Management should consider establishing a comprehensive whistleblowing policy, including but not limited to the identification of misconduct, reporting channels, reporting scope, confidentiality procedures, reporting handling and feedback, case investigation process and whistleblower protection measures, etc., and approve the whistleblowing policy and publish it internally and externally so that all stakeholders are clear about the specific channels and scope of reporting. Whistleblowing channels should be handled by specific management, such as the chairman of the Audit Committee. Relevant personnel should investigate, follow up and record reports in a timely manner.</p>	<p>Remediation completed</p>
A.10 Internal Audit Function		
<p>It is understood that the Group had not set up an internal audit department or appointed internal auditors, but had appointed an external independent internal control consulting company to regularly review the Group's risk management and internal control systems and to rectify any deficiencies. However, the Group had not yet established a complete internal audit charter to set out the supervision process, authority, work content and reporting relationship of the internal audit function.</p>	<p>Management should consider establishing a complete internal audit management system, which should include the internal audit function's supervision process, authority, work content and reporting relationships.</p>	<p>Remediation completed</p>

B. Business Process

Key Findings	Recommended Rectification	Rectification Status
1. High Risk Deficiency		
B.1.1 Budget Management, Accounting System and Financial Reporting, Accounting Entry and Connected Person Management		
Budget Management		
It is understood that the management had not prepared a financial budget and cash flow budget to forecast cash flows from sales, procurement, fixed assets, human resource expenditures, investments and financing activities. In addition, the management had not prepared a variance analysis for the above financial budget and cash flow budget.	Management should consider preparing financial budgets and cash flow budgets to forecast cash flows from sales, purchases, fixed assets, human resource expenditures, and investing and financing activities. In addition, management should consider regularly analyzing the differences between financial budget statements and cash flow forecasts and actual amounts, and clearly state the reasons for the differences and take appropriate corrective measures for management's review and signature.	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
<p>Accounting Systems and Financial Reporting</p> <p>It is understood that (i) the financial work of Beijing Yinghe was handled by two personnel, (ii) all the financial personnel of Guangdong Gangyue resigned during the review period, and (iii) the finance department of 先鋒創新有限公司 (Vanguard Innovation Limited*) (“Vanguard Innovation”) only had an accounting manager. Therefore, Guangdong Gangyue had commissioned a third-party accounting service provider to undertake its financial work functions, including the preparation of financial vouchers and financial statements. However, based on the samples obtained, the following internal control deficiencies were found:</p> <ul style="list-style-type: none"> the Group did not regularly review the accounting system access right and chart of accounts; 	<p>Management should consider:</p> <ul style="list-style-type: none"> review accounting system access right and chart of accounts, and keep relevant review records on a monthly basis; prepare financial closing schedule and work list to ensure the financial monthly closing procedures are completed on time; 	

Key Findings	Recommended Rectification	Rectification Status
<ul style="list-style-type: none"> the Group did not prepare a financial closing schedule and work list to ensure that the monthly financial closing process was completed on time; Beijing Yinghe and Guangdong Gangyue prepared financial statements monthly and submitted them to management for review, but no records of the review were kept whereas Vanguard Innovation generally prepares financial statements on a semi-annual basis but does not prepare monthly financial statements for management review; the Group only prepared consolidated financial statements at the end of each year, rather than on a monthly basis; and Vanguard Innovation did not confirm the details and amounts of transactions with its customers and suppliers on a monthly basis, and did not prepare ageing schedules of accounts receivable and accounts payable on a regular basis to comprehensively analyze the status of accounts receivable and accounts payable. 	<ul style="list-style-type: none"> require management of subsidiaries to keep written records of their review of financial statements; require the finance department to prepare consolidated financial statements monthly and submit them to the relevant management for approval and then keep them properly for easy reference; and relevant personnel are required to perform monthly reconciliations with customers and suppliers, keep written records and submit them to the finance department for proper filing. The finance department should also prepare an ageing analysis of accounts receivable and accounts payable on a regular basis and submit it to the management for approval, and then implement follow-up procedures based on the analysis. 	

Key Findings	Recommended Rectification	Rectification Status
<p>Financial accounting management</p> <p>According to the samples obtained, Guangdong Gangyue purchased a fixed asset for office use during the review period. However, it is understood that due to negligence of the financial staff, the fixed asset was not recorded.</p>	<p>Management should consider requiring relevant personnel to submit purchase orders and invoices to financial personnel in a timely manner after purchasing fixed assets, and the financial personnel should prepare the corresponding accounting vouchers in a timely manner and then submit the accounting vouchers to the management of the finance department for review.</p>	

Key Findings	Recommended Rectification	Rectification Status
Connected Person Management		
<p>It is understood that the management required subsidiaries to report any changes to the Directors, supervisors and senior management to the Company in a timely manner, and the company secretary of the Company would conduct an investigation into connected person(s) and update the list of connected persons. However, it is found that the Group did not conduct regular surveys on connected persons, nor did it prepare a connected person survey form for the Directors, chief executives or major shareholders of the Company or any of its subsidiaries to obtain relevant information and to list all connected persons, associate and connected subsidiaries in full on a regular basis in accordance with the requirements of Chapter 14A of the Listing Rules. In addition, the management failed to circulate the latest list of connected persons to each subsidiary on a regular basis to facilitate the identification of connected persons and connected transactions by subsidiary personnel.</p>	<p>Management should consider establishing a connected person investigation form. Responsible personnel should initiate investigations regularly, requiring the Directors, chief executives or major shareholders of the company or any of its subsidiaries to fully list all connected persons, associates and connected subsidiaries in accordance with the requirements of Chapter 14A of the Listing Rules. The responsible officer is required to update the list of connected persons based on the information obtained during the connected person investigation. Relevant investigation documents must be recorded in writing and properly archived. In addition, the management should circulate the list of connected persons to each subsidiary on a regular basis to facilitate the identification of connected persons and connected transactions by subsidiary personnel.</p>	

Key Findings	Recommended Rectification	Rectification Status
2. Medium Risk Deficiencies		
B.2.1 Project Management		
<p>The management of the Guangdong Guangyue Zhanjiang Smart City Project is mainly the responsibility of the general manager and relevant management personnel of Guangdong Guangyue. However, Guangdong Guangyue had not established a comprehensive management policy for real estate development projects to regulate project management.</p>	<p>The management should consider establishing a comprehensive management policy for real estate development projects, which should include but not be limited to project application and approval, project construction plan, budget management, progress management, approval and construction application, project construction management, project quality and operation and maintenance, etc. The management policy should be submitted to the management for approval and issued to the relevant employees.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
B.2.2 Reporting Mechanism and Client Management		
Reporting mechanism		
Vanguard Innovation has entrusted an outsourced party to be responsible for the business processes of sales, purchasing and warehousing, and has signed a business management entrustment agreement. The outsourced party has a sales officer, a purchasing officer and a warehousing officer responsible for the sales, purchasing and warehousing of credits respectively. However, it is found that the abovementioned personnel did not report the sales and purchases to Vanguard Innovation in writing on a regular basis. In addition, for sales orders and purchase plans with large amounts and quantities of goods, the abovementioned personnel did not obtain the approval of the relevant management before execution.	<p>The management shall require the outsourced party to report the overall business situation to Vanguard Innovation in writing on a regular basis, and shall establish authorised approval authority to obtain the approval and consent of the relevant management before executing when exceeding a specific amount and scale.</p> <p>The management shall record the results of client performance evaluation in written documents. The content should include client cooperation history, financial and payment status, etc., and should be submitted to the appropriate management for approval. The assessment results and approval records should be properly archived for future reference.</p>	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
<p data-bbox="293 324 526 369">Client Management</p> <p data-bbox="293 414 718 833">Vanguard Innovation also held regular internal business meetings to evaluate and discuss the performance of existing clients, such as client cooperation history, financial and payment status, etc. However, Vanguard Innovation did not keep records of the evaluation results and management approvals of existing clients.</p>		

Key Findings	Recommended Rectification	Rectification Status
B.2.3 Review and backup management of license operations		
<p>During 2024, the SFC conducted a number of reviews of the business operations of the licensed subsidiaries of 高信金融集團有限公司(Karl Thomson Financial Group Limited) (“Karl Thomson”), which were completed in December 2024, and the SFC has notified the relevant subsidiaries in writing of the results of the reviews, which included non-compliance in areas such as custody of client assets and funds, customer account statement management, system access control, compliance checking, inactive account management, credit line management, fund product distribution management, management of delegated account agreements, anti-money laundering and terrorist financing measures, license services, securities margin financing management, risk management related to futures trading activities and system access control.</p>	<p>The management should continue to implement the relevant measures in accordance with the feedback from the SFC and the rectification plan agreed by the SFC. The management should also conduct regular compliance checks to ensure that there is no non-compliance by its companies and should maintain communication with the SFC on licensing matters.</p> <p>The management should also conduct off-site backup of the data in the front office and financial system and conduct data recovery tests regularly to verify the validity of the data and retain the test results.</p>	Remediation completed
<p>In respect of the non-compliances listed above, the subsidiaries concerned have communicated and submitted rectification plans to the SFC in meetings and in writing between December 2024 and January 2025, which have been agreed by the SFC.</p>		

Key Findings	Recommended Rectification	Rectification Status
<p data-bbox="301 333 544 360">Backup Management</p> <p data-bbox="301 418 724 1043">According to the inquiries with the management of Karl Thomson and its licensed subsidiaries and the examination of the system, the information management department has been performing monthly backup of all data in the front office and financial system, but the information management department has not performed recovery tests on the backup data to ensure that the backup data can be successfully applied to the front office and financial system to meet operational requirements.</p>		
B.2.4 Supplier Management	<p data-bbox="758 1182 1203 2018">Management should consider requiring relevant departments to conduct background checks on the supplier's size, qualification level and past performance when admitting new suppliers, as well as connected person and conflict of interest investigations. The investigation results must be submitted to management for approval before the supplier can be admitted.</p>	Remediation completed
<p data-bbox="301 1182 724 2018">It is understood that Guangdong Gangyue's suppliers mainly include engineering design service companies and construction contractors. Before accepting a new supplier, the handling staff would inspect the new supplier, including the supplier's scale, qualification level and past performance, and then fill out an inspection report to record the inspection results. The supplier would be allowed to accept after being signed and confirmed by the inspection team members. However, Guangdong Gangyue did not investigate whether suppliers have any connections or conflicts of interest with the Group, shareholders, Directors, current and former employees, etc.</p>		

Key Findings	Recommended Rectification	Rectification Status
<p>In addition, Guangdong Gangyue had not established a qualified supplier ledger to record the information of qualified suppliers. Guangdong Gangyue did not regularly evaluate its existing suppliers to determine whether the suppliers' qualifications, capabilities, service quality, etc. still met management requirements, and whether there were any connected relationships and conflicts of interest with the Group, shareholders, Directors, current and former employees, etc.</p>	<p>In addition, management should consider requiring relevant departments to establish a qualified supplier ledger and regularly update and review supplier information to ensure that the information is accurate and complete. Management should also consider requiring relevant departments to conduct regular assessments of qualified suppliers, which should include but not be limited to the supplier's name, assessment time, assessment content and assessment results, as well as whether there are any connected relationships and conflicts of interest with the Group, shareholders, Directors, current and former employees, etc. Afterwards, the assessment content and results should be submitted to the relevant management for review and the review records should be retained.</p>	

Key Findings	Recommended Rectification	Rectification Status
B.2.5 Evaluation of suppliers		
<p>Vanguard Innovation regularly discussed and evaluated the performance of its existing suppliers at its business meetings to determine whether the suppliers' qualifications, competence, quality of service, etc. still meet the management's requirements and whether there were any relationships and conflicts of interest with Vanguard Innovation, its shareholders, directors, and its current and former employees, etc. It is found that Vanguard Innovation has no written records of such assessments.</p>	<p>Management should document the results of supplier performance evaluations in writing. This documentation should include the criteria for the evaluation, the supplier's actual performance, and management's approval. The records should be properly documented for future reference.</p>	<p>Remediation completed</p>
B.2.6 Inventory Management		
<p>When goods are received and dispatched, the warehouse specialist would prepare the corresponding inward and outward warehouse receipts. However, based on the samples obtained, it is found that the warehouse specialist did not sign the documents after preparing and reviewing them.</p>	<p>The management should consider requiring the warehouse specialist to sign for confirmation after preparing and reviewing the relevant documents respectively. Relevant records should be properly maintained by relevant personnel for future reference.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
B.2.7 Fund Raising and Authorization Approval Policy		
<p>It is understood that the Group had not established a fund-raising registration book to record the name, fundraising time, amount and usage of the funds raised. The financial management regulations had stated that when making payments, the person in charge must fill out a payment application form and then submit it to the department head and general manager for signature and review before payment could be made. However, the management had not established a unified group authorization and approval policy for the use of funds and various business processes, and had not established a hierarchical authorization and approval process in accordance with specific business types, matters, amounts and corresponding approval levels to regulate the use of funds, which should list in detail the use of funds of different amounts, types or purposes.</p>	<p>The management should consider requiring relevant departments to establish a fund-raising register to record the fund-raising information, including but not limited to the name of the fund-raising, fund-raising time, amount and usage. The management should regularly review the use of raised funds to ensure that management requirements are met. In addition, the management should also require relevant departments to continuously monitor the compliance of the raised funds and require timely disclosure in accordance with the listing rules and relevant laws and regulations to ensure its compliance.</p> <p>The management should consider establishing a unified authorization and approval policy for the group, which should list in detail the use of funds based on different amounts, types or purposes. For major matters such as major expenditures, in addition to management approval, a written report should be made to the Board or approved in writing by the Board.</p> <p>The management should continuously monitor whether the use of funds and business processes of each department and subsidiary are strictly implemented in accordance with the above-mentioned management policy regulations, and require immediate rectification of non-compliant matters and continue to follow up on the rectification status.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
B.2.8 Reserve Fund Management, Cash Management and Loan Management		
Reserve Fund Management		
<p>According to financial management regulations, if anyone needs to borrow reserve funds, the applicant must fill out a loan form, stating the loan time, loan reason, amount and repayment time, etc., and submit it to the department head, financial personnel and chairman for approval, and the financial personnel will make the payment. However, based on the samples obtained, it was found that certain samples did not retain loan application and review records. In addition, the Group had not yet established a relevant management policy for Directors' loans to regulate the process of the Group providing loans to Directors.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> • keep records of management approval before requiring the use of reserve funds; and • establish relevant management policy for Directors' loans. Management policies should be approved by management and issued to relevant employees. 	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
<p>Cash Management</p> <p>It is understood that since Beijing Yinghe's bank account was frozen during the review period, it could only use cash to collect property rent and pay reimbursements and other expenses. The cashier was responsible for keeping cash and recording it in the cash journal. However, it is found that Beijing Yinghe's cash management had the following internal control deficiencies:</p>	<p>Management should consider requiring cashiers to establish and promptly update a cash register to record the names of the payer and payee, the amount, date, and receipt records. In addition, management should consider requiring financial personnel to keep regular cash inventory and physical inventory records, submit them to management for review, and retain the review records.</p>	

Key Findings	Recommended Rectification	Rectification Status
<ul style="list-style-type: none"> • failure to maintain a cash register for cash receipts to record the names of the payer and payee, amount, date and receipt records; and • the cashier would conduct a cash count every month and the accountant would be responsible for monitoring the count, but no records of the review by the counter, supervisor and management were kept. 		
<p>Financing Management</p> <p>It is understood that if financing is required, the handling personnel would communicate with the lender and submit the proposed financing contract to the management and the Board for approval after preliminary review, and sign the financing contract after approval. However, the Group had not set a financing scale and plan, nor had it established a financing ledger to manage financing repayments.</p>	<p>Management should consider requesting the establishment of a financing scale and plan and submit it to the relevant management and the Board for review. In addition, management should consider requiring finance personnel to establish a financing ledger to record financing information, including the loan time, loan amount, contract name, interest amount for each period and repayment status.</p>	

Key Findings	Recommended Rectification	Rectification Status
B.2.9 Fixed Assets Custody and Regular Assets Count		
<p>The fixed assets of Guangdong Gangyue and Beijing Yinghe mainly include land, houses, office computers and other office-related fixed assets. The following deficiencies in the fixed asset management process of the above companies are found:</p>	<p>Management should consider requiring Guangdong Gangyue and Beijing Yinghe to:</p> <ul style="list-style-type: none"> • establish and promptly update the “fixed assets list” which should include information such as the name, type, asset number and amount of fixed assets. In addition, relevant departments should regularly check the “fixed assets list “and the status of physical assets to ensure the accuracy of fixed asset information; • label all fixed assets. If a label is lost, damaged, or unclear, the relevant department should re-post the asset label in a timely manner; 	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
<ul style="list-style-type: none"> • based on the on-site inspection results of Guangdong Gangyue in February 2025, they found that Guangdong Gangyue had fixed assets without labels; • Guangdong Gangyue had established a fixed asset list to record fixed asset information, including fixed asset name, type, asset number and amount. However, the above-mentioned list of fixed assets had not been updated in a timely manner and did not include information on fixed assets purchased in 2021 and later; • Beijing Yinghe failed to establish a fixed assets list to record fixed assets information; • Guangdong Gangyue and Beijing Yinghe did not conduct fixed assets count in 2024; and • Guangdong Gangyue and Beijing Yinghejian had not established a mechanism to conduct regular valuation and impairment testing. 	<ul style="list-style-type: none"> • conduct fixed asset count regularly, prepare count list and keep confirmation records of the counter and supervisor, and then submit the count list to management for review; and • perform valuation and impairment tests on fixed assets (such as real estate properties) on a regular basis. If impairment occurs, relevant supporting documents should be submitted to management for review and relevant records should be retained. Finance personnel should also make timely adjustments in the financial accounts. 	

Key Findings	Recommended Rectification	Rectification Status
B.2.10 Salary Accrual, Payment and Employee Training		
<p>Guangdong Gangyue and Beijing Yinghe will generally pay the previous month's wages in the next month. The human resource specialist would calculate the monthly employee wages, social security and provident fund and prepare a payroll sheet, which would then be approved by the deputy general manager in charge and the general manager. However, based on the samples obtained, it was found that Guangdong Gangyue and Beijing Yinghe did not retain any traces of management approval on the payroll sheets for October, November and December 2024. It is understood that human resource specialists would only obtain the above management approval verbally.</p> <p>Based on the samples obtained, it is also found that Guangdong Gangyue did not make provisions for wages, social insurance and provident fund in the month when the expenses were incurred.</p>	<p>Management should consider requiring human resource specialists to submit payroll sheet to management for approval and keep relevant approval records. The finance department shall then make provisions for wages, social security and provident fund in the month in which they are generated based on the approved payroll.</p> <p>Management should also consider requiring Guangdong Gangyue and Beijing Yinghe to declare and pay sufficient social insurance and housing provident fund for all employees in accordance with regulatory requirements. In addition, management should consider incorporating the above process into the management policy. The human resources department or legal personnel should regularly review the compliance of social insurance and housing provident funds to ensure compliance with relevant laws and regulations.</p>	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
<p>In addition, Guangdong Gangyue and Beijing Yinghe would pay social insurance and housing provident fund for employees. However, Guangdong Gangyue and Beijing Yinghe only used a specific amount lower than the employee's actual salary or the average salary of the previous year as the social insurance payment base, resulting in insufficient payment of social insurance premiums and housing provident fund. Additionally, Guangdong Gangyue and Beijing Yinghe had not established staff training programmes and had not conducted regular staff training.</p>	<p>The management should consider establishing an employee training plan for the Group and conduct regular employee training according to the training plan. The content should include but not be limited to updates on management policies, operating procedures and the latest policies.</p>	

Key Findings	Recommended Rectification	Rectification Status
B.2.11 Information System Control Management		
<p>It is understood that none of Beijing Yinghe, Guangdong Gangyue and Vanguard Innovation had established an IT department and their information systems were managed by their respective administrative staff. Regarding the information system management process, the following deficiencies are found:</p> <ul style="list-style-type: none"> • there are no restrictions on software download and installation on employees' computers, and employees can install and use software on their own; • failure to establish a software authorization list to record the detailed information of all software, including the user department, software name, software's independent authorization code and software authorization expiration date; 	<p>Management should consider:</p> <ul style="list-style-type: none"> • set software download and installation restrictions on employee computers to ensure that employees cannot install and use software on their own, and require employees to submit a written application before downloading and installing software, which will be installed by the relevant department after approval. In addition, relevant personnel should conduct regular checks on all employee computers to ensure that employees have not downloaded and installed unauthorized software or software that poses security risks, including external communication software; • establish a software authorization list to record detailed information of all software, including but not limited to the using department, software name, independent authorization code of the software and software authorization expiration date, so as to manage and maintain software authorization; 	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
<ul style="list-style-type: none"> • according to the on-site inspection and understanding in February 2025, some office computers in Beijing Yinghe, Guangdong Gangyue and Vanguard Innovation did not have anti-virus software, firewalls or other information system security protection measures installed; and • failure to perform off-site backups of computer and accounting system data, and failure to perform backup restore tests on backups. 	<ul style="list-style-type: none"> • install anti-virus software, firewalls, etc. on all office computers and set up information security protection measures. In addition, relevant personnel should regularly check the security settings of employees' computers to ensure that the above measures have been properly implemented; • perform off-site backups of computer and accounting system data and conducts periodic data recovery tests to verify the validity of the data and retains the test results; and • incorporate the above processes into relevant management systems. 	

C. Low Risk Deficiencies

The IC Adviser has also identified a total of three low risk deficiencies on (i) bank account and seal registration; (ii) bank account opening and bank reconciliation; and (iii) tax declaration management. The Group has implemented remedial measures to remediate the relevant internal control deficiencies.

D. Corporate Governance

Key Findings	Recommended Rectification	Rectification Status
<p>As at 10 March 2025, relevant samples of the Company’s Appendix C1 “Corporate Governance Code” of the Listing Rules had not be provided, which included:</p> <ul style="list-style-type: none">• documents related to each Board and Board Committee during the review period, such as meeting notices, minutes and attendance records;• institutional or policy documents, such as the board’s procedures for seeking independent professional advice, board diversity policy, shareholder communication policy, employee guidelines for buying and selling company securities, and dividend policy. The Company also failed to establish a comprehensive corporate governance policy that sets out corporate purpose, strategy and governance, board composition and nomination, Directors’ responsibilities, delegation of power and board procedures, audit, internal control and risk management;	<p>The management should comply with the code provisions of the Corporate Governance Code and retain all relevant samples during the review period. The Group should also carefully examine the various code provisions and provide carefully considered reasons in the Corporate Governance Report for any deviation from the code provisions.</p>	<p>Remediation completed</p>

Key Findings	Recommended Rectification	Rectification Status
<ul style="list-style-type: none"> contractual documents, such as Directors' service agreement, Directors' liability insurance agreement, etc; and other relevant corporate governance documents, such as records of monthly provision of information on the issuer's performance and financial position to board members, records of Directors' training, Directors' independence statements, etc. 		

E. Compliance Procedures and Policies

Key Findings	Recommended Rectification	Rectification Status
<p>The Group is required to comply with relevant listing rules and laws and regulations such as Chapter 13 (Continuing Obligations), Chapter 14 (Notifiable Transactions), Chapter 14A (Connected Transactions) of the Listing Rules and Part XIVA (Disclosure of Inside Information) of the Securities and Futures Ordinance. However, it is understood that the Group had not yet established a complete management policy and working procedures for the relevant rules, including reporting procedures, processing methods and approval requirements.</p> <p>In addition, it is understood that the Group did not provide regular training on the above-mentioned listing rules and relevant regulations to its Directors, management and relevant responsible personnel to ensure that the relevant personnel were aware of the above-mentioned listing rules, regulations and relevant internal control requirements.</p>	<p>Management should consider establishing compliance procedures and policies to explain the reporting, monitoring and approval procedures, handling methods and disclosure processes, etc. The procedures and policies should be distributed to relevant executive departments for strict implementation and real-time monitoring. In addition, management should also review the procedures and policies regularly to ensure that the description of the procedures and policies are consistent with the requirements of relevant regulations. Management should also regularly explain and update relevant information disclosure procedures and rules to employees. In addition, management should develop clear information disclosure guidelines, including standardized disclosure procedures and approval mechanisms, to ensure that information disclosure meets time and content requirements and enhance the role of the Board in information disclosure.</p>	Remediation completed

Key Findings	Recommended Rectification	Rectification Status
	After the relevant procedures and policies are established, the management should consider circulating and conducting regular training on the above-mentioned listing rules and the above-mentioned relevant policies (including policies related to information disclosure) to Directors, management and relevant responsible persons to reduce the risks of errors and non-compliance.	

RESULTS OF THE IC REVIEW

The IC Adviser has completed the Follow-up Review. The IC Adviser confirmed that the Company has implemented all the remedial measures suggested in the IC Report to address those internal control deficiencies. The IC Report also stated that there is no material deficiencies identified in the Company's internal control system after the follow up and nothing has come to the attention of the IC adviser that would reasonably cause it to cast doubt on (i) the adequacy of policies on addressing the internal control deficiencies identified in the IC report and Special Review Report; and (ii) effectiveness on the implementation of the policies.

OPINIONS OF THE AUDIT COMMITTEE AND THE BOARD

The Board (including the Audit Committee) has reviewed the content and the findings and results of the IC Review and Follow-up Review in the IC Report. The Company has been advised that the management has acknowledged and agreed with the findings and results by the IC Adviser.

The Company has adopted all advice and recommendations suggested by the IC Adviser, and has adopted, revised and/or strengthened (as applicable) relevant policies and procedures of the Company. The IC Adviser has conducted the Follow-up Review after the implementation of relevant remedial measures by the Group. After considering the internal control review report and the remedial measures taken by the Company, the Board is of the view (and the Audit Committee concurs) that: (a) all internal control deficiencies identified in the IC Report have been adequately addressed through appropriate recommended rectifications; (b) the remedial measures taken by the Company are sufficient and adequate; and (c) the Company has established sufficient and reliable governance, internal control, and financial reporting systems to perform its obligations under the Listing Rules.

The Board (including the Audit Committee) will continue to monitor the effectiveness of the Company's internal control system and procedures to perform its obligations under the Listing Rules, and ensure the internal control policies and procedures are reasonable and adequate, and integrate them into the Company's operations.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 2 April 2024 and will continue to be suspended until the Company's fulfillment of all resumption conditions.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Wisdom Wealth Resources Investment Holding Group Limited
Xu Shiping
Chairman

Hong Kong, 13 June 2025

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely, Mr. Xu Shiping and Mr. Huang Lei; one non-executive director, namely, Ms. Gao Shuna; and three independent non-executive directors, namely, Mr. Zheng Zhaojun, Mr. Wang Ning and Mr. Chan Kwong On.

** for identification purposes only*