

*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.*

## **ALLEGRO CULTURE LIMITED**

### **律齊文化有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 550)**

## **(1) COMPLETION AND KEY FINDINGS OF INTERNAL CONTROL REVIEW; AND (2) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Allegro Culture Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 18 March 2024 and 28 March 2024 respectively in relation to the delay in the completion of the 2023 Audit and the delay in the publication of the 2023 Annual Results; (ii) the announcement of the Company dated 6 May 2024 in relation to the resignation of the auditor; (iii) the announcement of the Company dated 6 June 2024 in relation to the appointment of the auditor; (iv) the announcement of the Company dated 24 June 2024 in relation to the Resumption Guidance; (v) the announcement of the Company dated 25 September 2024 and 6 January 2025 in relation to the quarterly update on resumption progress of the Company; (vi) the announcement of the Company dated 4 November 2024 in relation to the modification of the resumption guidance; (vii) the announcements of the Company dated 21 February 2024 and 18 April 2024 respectively in relation to the litigation against a former director of the Company; (viii) the announcement of the Company dated 28 October 2024 in relation to the formation of the Independent Investigation Committee and the engagement of Independent Investigator; and (ix) the announcement of the Company dated 5 August 2025 in relation to the key findings of the Independent Forensic Investigation (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

## INTRODUCTION

As disclosed in the announcements dated 24 June 2024 and 4 November 2024 respectively, one of the conditions in the Resumption Guidance is that the Company shall conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules.

To address such Resumption Guidance and to further enhance the internal controls of the Company, the Company has engaged the Internal Control Consultant to conduct the Internal Control Review and provide corresponding recommendations for improving the internal control of the Group.

On 29 August 2025, the Internal Control Consultant submitted its final report in respect of the Internal Control Review and follow-up assessment of the remedial actions implemented by the Group to the Audit Committee and the Board. The Internal Control Review Report contains, amongst others, the findings of the Internal Control Review, the recommendations of the Internal Control Consultant, and the follow-up assessment of the implementation status of the remedial actions in response to the recommendations made. This announcement sets out the key findings of the Internal Control Review.

## SCOPE OF REVIEW

The Internal Control Consultant conducted a detailed review on the internal control systems of the Company for the period from 1 January 2023 to 31 December 2023 (the “**Year 2023**”) and from 1 January 2024 to 31 December 2024 (the “**Year 2024**”) (collectively, the “**Review Period**”), which covered the following areas:

- (i) Corporate governance;
- (ii) Risk assessment;
- (iii) Information and communications;
- (iv) Monitoring;
- (v) Investment management (including acquisition and disposal of investment);
- (vi) Revenue, accounts receivable and receipt;
- (vii) Procurement, cost of services, accounts payable & payment;
- (viii) Subcontracting management;
- (ix) Inventory management;

- (x) Fixed assets;
- (xi) Human resources and payroll;
- (xii) Cash, bank and treasury management;
- (xiii) Financial reporting;
- (xiv) Tax reporting; and
- (xv) General computer controls.

## **METHODOLOGY AND PROCEDURE OF THE INTERNAL CONTROL REVIEW**

The Internal Control Consultant undertook the following procedures and methodology in relation to the Internal Control Review:

- (i) Understanding how a control procedure was carried out during the Review Period within the Group through discussion with the Board, and reading relevant policies and procedures;
- (ii) Considering and commenting on whether a control procedure had been designed and implemented effectively by determining whether it existed at a specific point in time (i.e. when the Internal Control Consultant conducted their work). This was achieved by reading policies and procedures, reviewing minutes, reports, organisational charts and other supporting documentation, and by performing randomly selected walk-through and tests of samples (number of samples determined by the Internal Control Consultant based on the frequency of occurrence of transactions);
- (iii) Drawing the Group's attention to any significant control design and implementation weaknesses and deficiencies which had come to the Internal Control Consultant's attention based on the limited procedures agreed to perform;
- (iv) Providing recommendations to address the identified control design and implementation weaknesses and deficiencies; and
- (v) Performing a follow-up review after the Group had responded to the findings stated in the Report, and issuing the final Report after the follow-up procedures have been completed.

## KEY FINDINGS OF THE IC REVIEW

Set out below is a summary of (i) the key findings of the Internal Control Review; (ii) the rectification recommendations of the Internal Control Consultant based on these findings; and (iii) the implementation of remedial actions following the recommendations of the Internal Control Consultant, classified by the extent of risk level (being (i) medium risk; and (ii) high risk):

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Corporate Governance</i>			
Directors' responsibilities, delegation and Board proceedings – Responsibilities of directors	In accordance with the Code Provision C.1.8 of CG Code, the Company should arrange appropriate insurance cover in respect of legal action against the Directors. However, there was no Directors' liability insurance coverage during the period from 16 October 2023 to 29 April 2024.	The Company should purchase appropriate Directors' and officers' liability insurance cover in respect of the possible legal liabilities that Directors and senior management may face and regularly review upcoming insurance policy expiration to ensure timely renewal.	Once after the Company discovered the issue, the Company had started to contact the agents for renewal and finally completed to purchase new Directors and Officers insurance policy on 30 April 2024. Except for this exceptional case, the Company renews the Directors and Officers insurance on time.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Corporate Governance</i>			
<p>Audit, internal control and risk management – Financial reporting</p>	<p>In accordance with the Code Provision D.1.2 of the CG Code, management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Group’s performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13.</p> <p>From 1 January 2023 to 30 September 2023, there was no written record of relevant meetings or record of monthly management accounts of the Group circulated to all Directors.</p> <p>During FY2024, management accounts of major operating subsidiaries were sent to Directors approximately semi-annually.</p>	<p>The management should prepare and send the monthly management accounts of the Group to all Directors and maintain relevant records.</p>	<p>Starting from 2025, the monthly management accounts of all operating entities of the Group have been prepared and sent to all Directors via email.</p> <p>From 1 January 2023 to 30 September 2023, according to representation of the independent non-executive Directors, despite written record may not be completed, INEDs attended physical meetings with Mr. Tsang to discuss the monthly performance of the Group.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Corporate Governance</i>			
Remuneration – The level and make-up of remuneration and disclosure	The annual secretarial fee of HK\$600,000 payable by KKEC and the Company to Rambler, was approved in the meeting of Remuneration Committee on 30 March 2023 instead of approval by the Board, which is non-compliant with the terms of reference of the Remuneration Committee and the IC Manual.	The annual secretarial fee of HK\$600,000 for Rambler should not be approved by the Remuneration Committee, as it does not constitute remuneration of the Director and senior management. The annual secretarial fee for Rambler should be approved by the Board in accordance with IC Manual.	The Group will strictly comply with the Group’s latest policies to seek approval from appropriate level of management.  The contract sum thresholds are re-aligned in the updated IC Manual since June 2025. Thereafter, same as procurement, only contract sum over HK\$500,000 require Board approval.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Investment Management</i></b>			
Due diligence procedures for potential investment projects	<p>For the subscription of shares in Aurora, the Company did not obtain a comprehensive feasibility study. Moreover, no documentation on financial statement review, financial and legal due diligence and valuation of the Aurora could be provided.</p> <p>In addition, no Director(s) is appointed by the Company to the board of Aurora.</p>	<p>For acquisition of the shares of a target company, the Company should (i) analyse the target company's financial statements, cash flow forecast, liquidity and profitability; (ii) conduct financial due diligence; (iii) conduct legal due diligence if necessary; and (iv) conduct valuation of the target company internally or by independent valuer.</p> <p>Upon acquisition completed, the Company should exercise its significant influence by appointment of director(s) to the board of the target company.</p>	The Compiled Rules and Regulations of the Group was adopted in February 2024 to include investment management policies and procedures, which were further enhanced and updated in June 2025 to include, among others, due diligence on investment project, on-going monitoring and the exit/disposal plan.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Investment Management</i></b>			
Supervision of investment projects	As disclosed in previous financial reports, the Company owns certain equity instruments at fair value through other comprehensive income, principally financial investments in listed securities, of which the most significant item is 115,740,000 shares of KKFI owned by the Company. However, following the resignation of Mr. Tsang, the Company was unable to obtain the original share certificate in respect of the KKFI shares.	<p>The Company should enhance physical security, including but not limited to (i) storing original share certificates in a locked safe cabinet located in a restricted area to protect them from loss or damage; and (ii) dual authorisation when accessing or handling original share certificates to ensure that no single person can tamper with the documents without oversight.</p> <p>Besides, the Company should implement handover protocols such as (i) developing a formal handover checklist for Directors, senior management and functional managers leaving the Company, particularly holding and maintain material documents; and (ii) revoking physical and digital access rights of staff immediately upon their resignation and termination.</p>	<p>The Company has established and adopted a supplemental manual since June 2025.</p> <p>Senior management handover protocol was established since June 2025. The protocol applies to all executive Directors (assume non-executive Director does not retain material assets of the Company), senior management and functional managers.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Revenue, Accounts Receivable and Receipt</i></b>			
Policies and procedures	There are no formalised written policies and procedures have been developed for the sale of medical and health products, household and personal care products.	<p>The Group should establish written policies and procedures to set out the guidelines over revenue, accounts receivable and receipt in relation to relevant sales activities, including but not limited to the following key areas:</p> <ul style="list-style-type: none"> <li>(i) Customer selection and managing customer information;</li> <li>(ii) Managing customer credit and credit control;</li> <li>(iii) Managing and processing sales orders and returns;</li> <li>(iv) Billing and revenue recognition;</li> <li>(v) Logistics arrangement and sales fulfilment;</li> <li>(vi) Processing and monitoring of accounts receivable;</li> <li>(vii) Processing receipts; and</li> <li>(viii) Bad debt provision and write off</li> </ul>	The Group has established the written policies and procedures to set out the guidelines over revenue, accounts receivable and receipt in relation to relevant sales activities mentioned in the Supplemental Manual adopted since June 2025.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Revenue, Accounts Receivable and Receipt</i></b>			
Managing and processing sales orders and receipts	During FY2023, no written record of approved price list, purchase order, delivery note and invoice were maintained by KKEC and KK Wecheck.	The relevant companies should develop standard procedures for maintaining records related to sales transactions and establish a centralised document management system either by internal server or cloud server to store all records digitally. The Management should conduct regular check on record keeping.	The Company has established and adopted a supplemental manual reflecting the recommendations.  KK Wecheck was disposed in December 2024 and KKEC has no business transaction since 2024. Alternatively, the Internal Control Consultant reviewed a number of samples of sales transaction of a major subsidiary, no further deficiency was found in the follow-up review.
<b><i>Procurement, Cost of Services, Accounts Payable &amp; Payment</i></b>			
Supplier selection process and managing supplier information	The relevant companies of the Group have not established formalised written policy and procedure on conflicts of interest declaration. In addition, no written record of conflict of interest declaration form for vendors and staff involved in procurement was maintained.	The relevant companies should establish policy and procedure on declaration of interest. Declaration of interest form should be made for all vendors and all levels of staff to declare possible conflict of interest. The relevant documentation should be properly maintained.	The Company has established and adopted a Supplemental Manual reflecting the recommendations.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Procurement, Cost of Services, Accounts Payable &amp; Payment</i></b>			
Managing, processing and approval of purchase orders	During FY2023, no written record of purchase order, delivery note and invoice were maintained by KK Wecheck.	The relevant companies should develop standard of procedures for maintaining records related to purchases transactions and establish a centralised document management system either by internal server or cloud server to store all records digitally. The Management should conduct regular check on record keeping.	The Group has updated the IC Manual to emphasise that supporting documents should be properly documented and recorded.
	During FY2023, 1 out of 2 procurement of KKEC that no purchase order and invoice were maintained and no delivery note were maintained for all 2 samples.		KK Wecheck was disposed in December 2024 and KKEC has no business transaction since 2024. Alternatively, the Internal Control Consultant reviewed a number of samples of procurement of services required by the major subsidiaries, no further deficiency was found in the follow-up review.
	During FY2023, 1 out of 2 procurement samples of KKEC that no approved procurement request form and Board approval record were maintained for a purchase order with an amount of approximately USD1.49 million, which is non-compliant with the IC Manual.	Procurement request form should be prepared by applicant and reviewed by department head. For any single purchase over HK\$500,000, Board approval should be obtained before execution. The approval record should be properly maintained.	In view of the deficiency in record keeping, the Group has updated the IC Manual to emphasise that supporting documents should be properly documented and recorded.  In the follow-up review, the Internal Control Consultant reviewed a sample of the Company's signed contract with contract sum over HK\$500,000, which was approved by the Board in April 2025.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Procurement, Cost of Services, Accounts Payable &amp; Payment</i></b>			
Processing and approval of payment, prepayment and deposit	During FY2023, all 2 samples of KKEC for procurement invoices settlement with amount over HK\$50,000 were recorded in ledger as cost of goods sold. However, the cheque or remittance payment to relevant suppliers are only signed by one person, which is non-compliant with the IC Manual.	All cheque payments over HK\$50,000 should be signed by at least 2 Directors or authorised persons.	<p>The Group's bank signature arrangement was updated since 2024 and currently all cheque over HK\$50,000 must be signed by two authorised persons.</p> <p>KKEC has no payment except for bank charges. Alternatively, the Internal Control Consultant reviewed (i) a number of samples of cheque payment with amount over HK\$50,000 by the Company and a major subsidiary; and (ii) a number of samples of payment with amount over HK\$50,000 through bank transfer made by the Company and a major subsidiary, no further deficiency was found in the follow-up review.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Fixed Assets</i></b>			
Acquisition of fixed assets	The Group has not developed a formalised written policy and procedures for fixed assets cycle.	<p>The Group should develop written policies and procedures to set out the guidelines on fixed assets (property, plant and equipment) management, including but not limited to the following key areas:</p> <ul style="list-style-type: none"> <li>(i) Acquisition of fixed assets;</li> <li>(ii) Depreciation and amortisation of fixed assets;</li> <li>(iii) Disposal and transfer of fixed assets;</li> <li>(iv) Maintenance of fixed assets (including valuation and impairment assessment);</li> <li>(v) Managing and safeguarding fixed assets (including physical count and variance adjustment);</li> <li>(vi) Maintenance of fixed assets master file; and</li> <li>(vii) Insurance policies over valuable fixed assets</li> </ul>	The Company has established and adopted a supplemental manual which reflected the recommendations.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Fixed Assets</i>			
	<p>During FY2023, no written record of approved procurement request form and the Board approval were maintained for the acquisition of a motor vehicle with purchase price at HK\$3,000,000.</p> <p>Moreover, the sale and purchase agreement in relation to that motor vehicle is undated, no invoice or official receipt was maintained and the cheque payee name is not consistent with the name of vendor as stated on the relevant sale and purchase agreement.</p>	<p>Procurement request form attached with supporting documents should be prepared by applicant and reviewed by department head.</p> <p>For any single purchase over HK\$500,000, Board approval should be obtained before the procurement and the approval record should be properly maintained.</p>	<p>The Company has established and adopted a supplemental manual which reflected the recommendations.</p> <p>KKIC (HK) had no material fixed assets acquisition. Alternatively, the Internal Control Consultant reviewed a number of samples of cheque requisition forms for purchases of fixed assets of a major subsidiary, no further deficiency was found in the follow-up review.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Fixed Assets</i>			
Managing and safeguarding fixed assets	As disclosed in the announcement dated 21 February 2024, three motor vehicles believed to belong to the Group (the “ <b>Relevant Motor Vehicles</b> ”) could not be found by the incumbent Board and Management since the end of September 2023. On 16 February 2024, the Company received a letter from the legal adviser of a person who alleged himself to be the driver of the Relevant Motor Vehicles admitting he is in possession of the Relevant Motor Vehicles, the car keys and registration documents. The root cause of the incident involving the Relevant Motor Vehicles is the absence of internal control policies and procedures for the safeguarding of fixed assets within the Group.	<p>The Group should establish an internal control policies and procedures outlining (i) safeguard of motor vehicle; (ii) maintenance of car key and registration documents; (iii) who are eligible to use company vehicles; and (iv) purpose of use (e.g., business use only or specify restrictions on non-business usage).</p> <p>Besides, the Group should store car keys and registration documents in designated locations under the Company’s fully control and safeguard.</p>	The Company has established and adopted a supplemental manual which reflected the recommendations.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Human Resources and Payroll</i></b>			
Recruitment policies and procedures	No written handover checklist for exit staff was maintained by the Company, KKEC and KK Wecheck.	Written handover checklist including handover of assets, files, customers and suppliers' information, change of bank signing authority and so on for each exit staff should be prepared by human resources staff and reviewed by general manager or Director.	Handover list was developed and included in the Supplemental Manual.
Calculating and processing of payroll	During FY2023, all 3 samples of monthly salary payment documents of the Company, KKEC and KK Wecheck showed that no signed monthly salary payment schedule is maintained, which is non-compliant with the IC Manual.	Monthly salary payment schedule prepared by office administrator should be reviewed and approved by a Director with acknowledgement.	The monthly salary payment schedule has been reviewed and approved by Director since 2024.  KK Wecheck was disposed in December 2024 and KKEC has no employee since 2024. Alternatively, the Internal Control Consultant reviewed a number of samples of monthly salary payment schedule of the Company, no further deficiency was found in the follow-up review.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Human Resources and Payroll</i></b>			
	<p>During FY2023, all 3 samples of monthly salary payment documents of the Company shows that a company, named “Rambler Corporate Co”, which is not on the “Employee breakdown – 2023 to 2024” list, was included in the executed auto-pay instruction and were recorded in the bank statements with a description as “SAL”. Of which, invoices were issued by Rambler to the Company in respect of provision of company secretarial services to the Company.</p>	<p>The Company should ensure that payroll payment is executed only for employees. The Company should ensure proper control and segregation of duties over human resources and payroll payment process, in particular, for payroll preparation, authorisation and payment process. The Management should regularly review payroll documents against employee lists for their existence and validation.</p>	<p>The Group will ensure that payroll payment is executed only for employees.</p> <p>In the follow-up review, the Internal Control Consultant reviewed a number of samples of monthly salary payment schedule of the Company, no further deficiency was found.</p>
Pension plans and occupational schemes policies and contribution	<p>During FY2023, 1 out of 3 samples of mandatory provident fund contribution of the Company was not paid within the time frame specified. Such fund contribution for the period from 1 September 2023 to 30 September 2023 was paid in January 2024.</p>	<p>The Company should comply with the Mandatory Provident Fund Schemes Ordinance and pay the mandatory provident fund contribution within the time frame specified at all times.</p>	<p>The Group will ensure that mandatory provident fund contribution is made within the time frame specified.</p> <p>In the follow-up review, the Internal Control Consultant reviewed a number of samples of mandatory provident fund contribution of the Company, no further deficiency was found.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Cash, bank and treasury management</i></b>			
Bank payment approval procedures	In accordance with the Independent Forensic Investigation Report, the payment of HK\$204,769.40, which includes car park fee from 28 August 2023 to 18 September 2023 for HK\$5,836.80 and entertainment expenses from 13 January 2023 to 14 September 2023 for HK\$198,932.60, from KKEC to Mr. Tsang was made by cheque issued by KKEC and the cheque was solely signed by Mr. Tsang. The cheque was for Mr. Tsang's own disbursements and a Expenses Claim Form attached with a list of payment receipts. However, an expense of HK\$138,000.00 incurred on 13 January 2023 does not have details regarding the names of guests nor the purpose of expenses were provided by Mr. Tsang.	In accordance with the paragraph 1.4 of the IC Manual, for any disbursement that is more than HK\$50,000, signatures are required from at least one of the Directors in Group A and together with the Director in Group B. In addition, the names of guests or the purpose of expenses should be stated for entertainment claim for amount over HK\$50,000.	The Company updated KKEC's bank signatories with Industrial and Commercial Bank of China (Asia). For any amount up to HK\$50,000, any 1 signer (executive Director or general manager) solely. For any amount above HK\$50,000, any 2 signers jointly.  The Company has updated the IC Manual, entertainment expenses must be clearly stated with purpose, identity of customers and their representatives present and the reason for such expense. Upper limit is also set for each person and each event.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Cash, bank and treasury management</i></b>			
	<p>Apart from the receipts, there was no supporting document attached with the Expenses Claim Form to substantiate the payments were made in compliance with the approval procedures as stipulated in the IC Manual.</p>		
	<p>According to the IC Manual, three of the Directors are divided into Group A and B in the approval process of the disbursements.</p> <p>However, no identification and register of which Directors belonged to Group A and Group B respectively during FY2023.</p>	<p>A list of authorised signatories under Group A and Group B for bank payment approval should be established and updated from time to time. The Director(s) or authorised signer(s) must be approved by the Board.</p>	<p>After the new management onboarded since September 2023, the Board has approved the authorized signer(s) and signing arrangement.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>During FY2023 all 4 samples of bank payment of KKEC over HK\$50,000 that relevant cheques were only signed by one person, which is non-compliant with the IC Manual.</p> <p>During FY2024, 1 out of 5 samples of bank payment of the Company over HK\$50,000 that relevant cheque which was occurred in August 2024 only signed by one person.</p>	<p>All cheque payment over HK\$50,000 should be signed by at least 2 designated persons in accordance with the requirements of IC manual.</p>	<p>After the new management onboarded since September 2023, the Board has approved the authorized signer(s) and signing arrangement on 4 October 2023. The arrangement was one executive director prepared and approved payment requests and another executive director approved the payments at bank. Since another Board meeting held on 28 June 2024, the Group requested the banks to update the authorized signatories and signing arrangement to require approval from 2 bank signers for payments over HK\$50,000.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Cash, bank and treasury management</i></b>			
	<p>According to the IC Manual, staff should submit their disbursement request for any disbursement together with supporting documents (e.g. official receipts from vendors and approved procurement requisition form) for further approval process. The relevant request should be reviewed by department manager and signed as an identification of approval and submitted to finance department for proceed further. The accountant would then prepare the payment voucher, gathering up the supporting document and the preparation of the cheques for settlement.</p>	<p>Payment request should be prepared by applicant and attached with supporting documents (e.g. invoices, debit notes, packing list, delivery note and/ or service rendered acknowledgement) for review and approval.</p>	<p>The Company has updated the IC Manual, the person who approves the payment must ensure all relevant supporting documentation were properly handled and the respective accounting records, with the appropriate evidence must be acknowledged by the finance department.</p> <p>The Group acknowledges and agrees with the recommendations.</p> <p>Hopeful Top and KK Wecheck were disposed in December 2024.</p> <p>Alternatively, the Internal Control Consultant reviewed a number of samples of disbursement requisition of the Company and a major subsidiary, no further deficiency was found in the follow-up review.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>During FY2023, 1 out of 6 payment samples of the Company has no supporting document attached and 5 out of 6 payment samples of the Company have no written approved disbursement request and payment voucher were maintained.</p> <p>During FY2023, all 6 payment samples of KKEC that no written approved disbursement request and payment voucher were maintained.</p> <p>During FY2023, all 4 payment samples of KK Wecheck have no supporting document attached and no written approved disbursement request and payment voucher were maintained.</p> <p>During FY2023, no supporting document, written approved disbursement request and payment voucher were maintained by Hopeful Top.</p>		

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
Reporting and disclosures	<p>As Rambler is wholly owned by Mr. Tsang, it is an associate of Mr. Tsang under Chapter 14A of the Listing Rules, and therefore the provision of professional services by Rambler to the Company and KKEC constituted connected transactions.</p> <p>Additionally, payments by the Company and KKEC to Rambler are considered to be related party transactions.</p> <p>However, there is no evidence indicating that these transactions were conducted on arm's length terms and the connected transactions have not been properly approved and disclosed.</p>	<p>The Company should establish a policy that outlines procedures for identifying connected transactions and related party transactions, and sets criteria to ensure they are conducted on arm's length terms.</p> <p>The Company should also maintain a list of connected parties or related parties, and ensure that they contain the latest information.</p>	<p>The compliance manual covers related party/connected transactions which has been approved and adopted in February 2024.</p> <p>A list of connected parties has been maintained and shared with all operating entities in 2024.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
Budgeting process and budgetary control, monitoring and updates	During the Review Period, no written record of the annual budget and variance analysis were maintained by the Group.	Annual budget and variance analysis should be prepared by each division head, reviewed by finance department and submit to the Board for approval at least annually.	Annual budget and variance analysis have been prepared by each business unit, reviewed by finance department and approved by Director since 2025.  In the follow-up review, the Internal Control Consultant reviewed the annual budget 2025 of the Group, no further deficiency was found.

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Tax Reporting</i></b>			
Tax filing	<p>The Company failed to file profits tax return for the year of assessment 2023/2024. The IRD has issued a letter dated 3 March 2025 stating that the commissioner of the IRD is prepared to extend the time limit for complying with the offer to compound the offence contained in the letter from assistant commissioner of the IRD to the Company dated 18 October 2024 to 30 April 2025. If the Company does not comply by this date, the offer by commissioner of the IRD to compound the offence will lapse and proceedings under section 80 of the IRO will be commenced forthwith. In addition, where appropriate, may also estimate the Company's profit/ income and charge tax thereon as authorised by section 59(3) of the IRO.</p>	<p>Finance department of the Company should monitor the profits tax filing deadlines to avoid delay in filing profits tax return to the IRD.</p>	<p>Based on the letter from IRD dated 21 May 2025, the time limit has been further extended to 15 August 2025. The Company is closely working with auditor to issue the audited reports and file profits tax return from time to time.</p>

<b>MEDIUM RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>General Computer Control</i></b>			
Backup and disaster recovery plan	Due to internal control deficiencies in data backup from 1 January 2023 to 4 October 2023, no computer server nor cloud server is maintained to store accounting, business and statutory records. Hence, no softcopy can be retrieved while the loss of books and records of KK Wecheck, Hopeful Top, Aurora and the email records of the Company.	The Group should implement a centralised data storage either in an in-house server or cloud server with regular data backup system.	Cloud server with regular data backup system (Microsoft 365, Worktile) has been setup since 2024.

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Information and communications</i></b>			
External communication – Distribution of annual and interim reports and publication of results announcement (Listing Rules 13.46, 13.48 and 13.49)	The Group has failed to comply with the requirements stipulated in the Listing Rules 13.49(1) and 13.46(2)(a), by not publishing annual results announcement and its annual report for the year ended 31 December 2023 and 2024 within the specified period.	The Group should promptly publish annual results announcement and its annual report for the year ended 31 December 2023 and 2024, in order to comply with the disclosure requirements of financial information in the Listing Rules.	The Internal Control Consultant reviewed (i) the announcements of annual results for the years ended 31 December 2023 and 2024, which were published on the website of the Stock Exchange on 6 August 2025; and (ii) the annual reports for the years ended 31 December 2023 and 2024, which were published on the website of the Stock Exchange on 25 August 2025.
	The Group has failed to comply with the requirements stipulated in the Listing Rules 13.49(6) and 13.48(1), by not publishing interim results announcement and its interim report for the six months ended 30 June 2024 within the specified period.	The Group should promptly publish interim results announcement and its interim report for the six months ended 30 June 2024, in order to comply with the disclosure requirements of financial information in the Listing Rules.	The Internal Control Consultant reviewed (i) the announcement of interim results for the six months ended 30 June 2024, which was published on the website of the Stock Exchange on 6 August 2025; and (ii) interim report for the six months ended 30 June 2024, which was published on the website of the Stock Exchange on 25 August 2025.

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Investment Management</i></b>			
Supervision of investment projects	Most of the accounting books and records as well as the statutory records of Hopeful Top were missing, in particular, for FY2023. In addition, the Company has not assigned Directors to control over the board of Hopeful Top and change authorised signatories for all bank accounts of Hopeful Top immediately after the acquisition of 100% shares of Hopeful Top.	Upon acquisition completed, the Company should (i) exercise its control power to obtain all accounting books and records as well as the statutory records of the newly acquired subsidiary; (ii) assign Directors to control over the board of newly acquired subsidiary; and (iii) change authorised signatories for all bank accounts which must be countersigned by the Director(s) of the newly acquired subsidiary.	Relevant investment management policy was updated and effective since June 2025.  Hardcopy records including physical documents pertaining to the Company and all Hong Kong operating subsidiaries are maintained in the Hong Kong offices. Physical documents for all PRC subsidiaries are maintained in the Shenzhen office.

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Investment Management</i>			
			<p>For softcopy records, the Group has implemented data storage in cloud servers with real-time synchronisation and conducted regular data backup since 2024, utilising Microsoft 365 for all Hong Kong subsidiaries and Worktile for all PRC subsidiaries. For accounting system and relevant records, the Hong Kong operating entities use FlexSystem financial management system with regular data backup, while PRC operating entities use outsourced bookkeeping and accounting services by third-party service provider with regular data backup.</p> <p>As there was no share acquisition transaction, no relevant sample is available for follow-up review. Alternatively, the Internal Control Consultant reviewed a number of samples of accounting vouchers, which are maintained properly by the Company and major subsidiaries. No further deficiency was found in the follow-up review.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Procurement, cost of services, accounts payable and payment</i>			
Supplier selection process and managing supplier information	<p>The Company entered into the Rambler Service Agreement with Rambler, where Mr. Tsang signed on behalf of Rambler and Yiu Yu Cheung, Simon, the then non-executive Director signed on behalf of the Company.</p> <p>Rambler is wholly owned by Mr. Tsang and hence Rambler is a connected person under Chapter 14A of the Listing Rules.</p> <p>However, there was no evidence to substantiate that the transaction terms were no less favourable than those offered by independent third parties during the Review Period.</p>	<p>The Company should establish a policy mandating that all related party transactions or connected transactions be reviewed and approved by the Board.</p> <p>The Company should obtain the credential of service providers and collect at least three quotes or proposals from independent third-party service providers for approval to ensure the fee provided by a related party or connected person is on arm's length basis. In addition, the service vendor selection process and approval records should be properly maintained.</p>	<p>Policies to identify connected transaction was updated in the Compliance Manual.</p> <p>Supplier background check and selection process are added in the Supplemental Manual to identify any relationship with supplier.</p> <p>In the follow-up review, the Internal Control Consultant reviewed a sample of comparison of 4 service providers with relevant background check record, no further deficiency was found.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Cash, bank and treasury management</i></b>			
Bank payment approval procedures	<p>There were no other documents, such as quotation, engagement letter, service agreement, deliverables, invoices, service rendered record to support for payment of KKEC to Allied Charm.</p> <p>There were no proper approval and disclosure procedures established and adopted for connected transactions under the Listing Rules.</p>	<p>KKEC should (i) obtain the credential of vendor and collect at least three quotes or proposals from independent third-party vendors for approval; (ii) the vendor selection process and approval records should be properly maintained; (iii) seek for approval by the Board for purchase contract sum over HK\$500,000 under IC Manual, of which the relevant Director should declare conflict of interest involved and should not participate the voting procedures; (iv) obtain supporting documents such as service rendered record or deliverables for all payments; and (v) follow the payment authorisation procedure under IC Manual that no single individual can approve for cheque payment over HK\$50,000.</p>	<p>The Group will ensure its operating entities execute the recommendations immediately.</p> <p>In the follow-up review, the Internal Control Consultant reviewed the Group's latest bank accounts and their authorised signatories. Cheque payments and online fund transfers are with same payment authorisation for the Company and its all major subsidiaries. For any payment less than HK\$50,000 (or RMB45,000 for PRC subsidiaries), only one of the authorised signatories is required for execution; for any payment more than HK\$50,000 (or RMB45,000 for PRC subsidiaries), two authorised signatories are required for execution.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
			<p>The Internal Control Consultant reviewed,</p> <ul style="list-style-type: none"> <li>(i) a sample of comparison of 4 service providers with relevant background check documentation</li> <li>(ii) a number of samples of cheque copies with relevant supporting documents and approved cheque requisition forms regarding payment to service suppliers of a major subsidiary;</li> <li>(iii) a number of samples of payment by Faster Payment System or direct bank transfer made by the Company and major subsidiaries;</li> <li>(iv) a number of samples of ICBC (ASIA) commercial internet banking login notification; and</li> <li>(v) a number of samples of ICBC (ASIA) online transaction notification.</li> </ul> <p>No further deficiency was found in the follow-up review.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>In accordance with the Independent Forensic Investigation Report, a total payment of HK\$400,000 was made by the Company to Mr. Tsang and Sky Wealth Financial Group (Investment) Limited in 2023 through two cheques issued by the Company, both jointly signed by Mr. Tsang and Mr. Simon Yiu, of which the payment of HK\$300,000 dated 9 January 2023 to Mr. Tsang was described as “Red pocket money”, the recipients of such red pocket money are unknown and no supporting document other than the cheque is maintained.</p>	<p>All payments should be supported by evidence or valid documentation for approval. For cash disbursement or red pocket money, a list of recipients should be prepared and acknowledged of receipt should be obtained and maintained.</p>	<p>The Company has updated the IC Manual, the person who approves the payment must ensure all relevant supporting documentation were properly handled and the respective accounting records, with the appropriate evidence must be acknowledged by the finance department.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>There is no Board minutes or contemporaneous documents to substantiate that the services terms under the Rambler Services Agreement were negotiated on an arm's length basis which were no less favourable than those offered by independent third parties.</p>	<p>The Company should (i) obtain the credential of service providers and collect at least three quotes or proposals from independent third-party service providers for approval; (ii) the service vendor selection process and approval records should be properly maintained; (iii) seek for approval by the Board and even shareholders and disclose the connected transaction details to public under Chapter 14A of the Listing Rules, of which the connected person should declare conflict of interest involved and should not vote for the transaction; and (iv) prohibit payment for outsourced services via autopay as no guarantee for services rendered can be completed on time.</p>	<p>The Company has updated the Compliance Manual to enhance the approval and disclosure of connected transactions.</p> <p>The Company has established and adopted a supplemental manual to reflect the recommendations.</p> <p>The Company updated the IC Manual such that service fee for vendor should not be paid by autopay, except amount below HK\$10,000 or equivalent.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	There is no supporting document for the purpose of payment or service rendered to KK Wecheck, no approval record and such payment are not shown in employer's return of KK Wecheck in FY2023.	KK Wecheck should (i) obtain the credential of service providers and collect at least three quotes or proposals from independent third-party service providers for approval; (ii) the service vendor selection process and approval records should be properly maintained; (iii) seek for approval by the Board for contract sum over HK\$500,000; and (iv) obtain supporting documents such as service rendered record or deliverables for all payments.	<p>KK Wecheck was disposed in December 2024.</p> <p>The Company has established and adopted a supplemental manual to reflect the recommendations.</p> <p>The Group will ensure its operating entities execute the recommendations immediately.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>In respect of the accounting entry made on 30 March 2023, a cheque of HK\$2,011,159 was issued on 12 April 2023 by KK Wecheck to DNA Wecheck Limited. The cheque was co-signed by Mr. Tsang and an unknown signer. However, there is no supporting document for the purpose of payment or service rendered, no approval record.</p>	<p>KK Wecheck should (i) obtain the credential of vendors and collect at least three quotes or proposals from independent third-party vendors for approval; (ii) the vendor selection process and approval records should be properly maintained; (iii) seek for approval by the Board for contract sum of procurement over HK\$500,000; and (iv) obtain supporting documents such as service rendered record or deliverables for all payments.</p>	

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<i>Cash, bank and treasury management</i>			
	<p>The Company paid a total of HK\$625,000 to Si-Edge Technology Limited on 13 October 2022. As there is no evidence to suggest that Si-Edge Technology Limited successfully secured Intel projects or collected payments as required, it is questionable as to the basis and justification for the payment of the service fees to Si-Edge Technology Limited.</p>	<p>Hopeful Top should obtain the credential of vendors and collect at least three quotes or proposals from independent third-party vendors for approval; (i) the vendor selection process and approval records should be properly maintained; (ii) seek for approval by the Board for contract sum over HK\$500,000; and (iii) obtain supporting documents such as service rendered record or deliverables for all payments.</p>	<p>Hopeful Top was disposed in December 2024.</p> <p>The Company has established and adopted a supplemental manual to reflect the recommendations.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
Financial statement preparation	Certain books and records of KK Wecheck and Hopeful Top are missing, including certain accounting records and business records.	<p>The relevant subsidiaries should maintain complete and accurate books and records including accounting, statutory and business records for at least 7 years.</p> <p>Upon acquisition completed, the Company should exercise its control power to obtain all accounting books and records as well as the statutory records of the newly acquired subsidiary. Besides, the handover of books and records to the successor(s) or the designated person(s) of the Company should be enhanced upon the resignation of directors of the subsidiaries.</p>	<p>Hopeful Top and KK Wecheck were disposed in December 2024.</p> <p>The new internal control manual with handover procedures has been approved and adopted in February 2024.</p> <p>Further, relevant investment management policy was updated and effective since June 2025 contained in the updated Compiled Rules and Regulations of the Group.</p> <p>Hardcopy records including physical documents pertaining to the Company and all Hong Kong operating subsidiaries are maintained in the Hong Kong offices. Physical documents for all PRC subsidiaries are maintained in the Shenzhen office.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
			<p>For softcopy records, the Group has implemented data storage in cloud servers with real-time synchronisation and conducted regular data backup since 2024, utilising Microsoft 365 for all Hong Kong subsidiaries and Worktile for all PRC subsidiaries.</p> <p>For accounting system and relevant records, the Hong Kong operating entities use FlexSystem financial management system with regular data backup, while PRC operating entities use outsourced bookkeeping and accounting services by third-party service provider with regular data backup.</p>

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
			In the follow-up review, the Internal Control Consultant reviewed (i) a number of screenshot samples of the Company's backup of computer folders and data in Microsoft OneDrive; (ii) sales agreement, invoice and official receipt related to the subscription of FlexSystem and annual maintenance service; (iii) service contract and VAT invoice related to a major subsidiary for the subscribe of Worktile and cloud service; (iv) service contract related to outsourced bookkeeping and accounting services signed by a major subsidiary. No further deficiency was found.

<b>HIGH RISK</b>			
<b>Control Areas</b>	<b>Summary of Key Findings</b>	<b>Recommendation</b>	<b>Remediation status</b>
<b><i>Financial Reporting</i></b>			
	<p>The books and records of Aurora are missing, including audited consolidated financial statements, monthly bank statements, purchase orders, various invoices, vouchers, cheque registers, employee expense reimbursement records and banking records for FY2023 and FY2024, the consolidated management accounts for the FY2024, the company secretary files, the business and administrative records for FY2023 and FY2024.</p>	<p>The relevant associate of the Company should maintain complete and accurate books and records including accounting, statutory and business records for at least 7 years. Besides, the Company should exercise its significant influence to obtain monthly management accounts with details breakdown of accounting items. In addition, inspection of certain accounting records with material amount should be conducted at least semi-annually.</p>	<p>The Company has updated the Compiled Rules and Regulations of the Group, strive to secure appropriate board representation in the target company through the investment agreement or shareholders' agreement upon completion of acquisition of an associate.</p> <p>Further, Aurora was disposed in May 2025.</p> <p>The Company has also updated the IC Manual such that monthly management accounts should be obtained on monthly basis for any investment associates, if any, in the future. The Company would also inspect all material amount of the associate on a quarterly basis.</p>

## **COMPLETION OF THE INTERNAL CONTROL REVIEW**

The Internal Control Consultant has completed the follow-up review. The Internal Control Consultant has confirmed that remedial measures have been implemented to address the key findings of the Internal Control Review, and no additional material weakness or deficiency in the internal control system has been identified by the Internal Control Consultant in the follow-up review.

## **VIEW OF THE AUDIT COMMITTEE/INDEPENDENT INVESTIGATION COMMITTEE**

After reviewing the Internal Control Review Report and its key findings, the Audit Committee/Independent Investigation Committee is of the view that the methodology and review work adopted by the Internal Control Consultant are appropriate and sufficient, and the key findings should have covered the major internal control weaknesses or deficiencies of the Group with the details of such weaknesses and problems identified and analysed. The corresponding remedial measures proposed are sufficient and appropriate to improve the internal control systems of the Company, and the Audit Committee will continue to monitor the implementation of the internal control remedial measures and ensure the improvement of the internal control systems and to mitigate the risks of further internal control deficiencies.

## **VIEW OF THE BOARD**

After reviewing the key findings of the Internal Control Review Report, the remedial actions implemented by the Group and the follow-up assessment by the Internal Control Consultant, which identified no material weakness or deficiency in the Group's internal control systems has been identified, the Board is of the view that the remedial actions implemented by the Group are adequate and effective to address the key findings of the Internal Control Review, and the enhanced internal control system will enable the Company to manage its related risks at a reasonable level. As such, the Board is of the view that the Company now has in place adequate internal control systems that fully comply with the requirements under the Listing Rules.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company on the Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on Tuesday, 2 April 2024 and will remain suspended until further notice.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Allegations”	the certain allegations against Mr. Chen as made in the Anonymous Email sent to the BDO and disclosed in the announcement of the Company dated 6 May 2024
“Allied Charm”	Allied Charm Creation Limited (滙耀創建有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Jimu Group
“Allied Charm Payment”	the payment of approximately HK\$2.8 million made by KKEC to Allied Charm
“Aurora”	Aurora Medical Technology (HK) Corp. Limited, a company incorporated in Hong Kong limited liability
“Board”	the board of Directors of the Company
“CG Code”	The Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company”	Allegro Culture Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“FY2023”	the financial year ended 31 December 2023
“FY2024”	the financial year ended 31 December 2024
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hopeful Top”	Hopeful Top Limited, a company incorporated in Hong Kong with limited liability

“IC Manual”	Internal Control Manual dated 1 September 2017 and revised on 25 June 2025
“Independent Forensic Investigation”	the independent forensic investigation of the company into the Allegations, and in particular, on controls on compliance with Chapters 13, 14 and 14A and Appendix C1 of the Listing Rules, corporate governance, financial reporting (including subsidiaries and associates), treasury and payment management, human resource management and managing investment during the Review Period
“Independent Forensic Investigation Report”	the independent forensic investigation report finalised on 29 July 2025 and issued by the Independent Investigator on 5 August 2025
“Independent Investigation Committee”	the independent investigation committee formed to undertake the investigation on the matters pertaining the Subject Matters. The Independent Investigation Committee comprises non-executive Directors and independent non-executive Directors who are independent from the Subject Matters and have joined the Company after FY2023
“Independent Investigator”	Frank Forensic and Corporation Recovery Limited, the independent external consultant engaged by the Company in relation to the Independent Forensic Investigation
“Internal Control Consultant”	Zhonghui Anda Risk Services Limited, the independent external consultant engaged by the Company in relation to the Independent Forensic Investigation
“Internal Control Report”	the internal control report prepared by the Internal Control Consultant
“Internal Control Review”	the internal control review on the Group
“IRD”	Inland Revenue Department of the Government of Hong Kong
“IRO”	Inland Revenue Ordinance (Chapter 112 of the laws of Hong Kong)
“KKEC”	Kingkey E-Commerce Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company

“KKFI”	Kingkey Financial International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1468)
“KK Wecheck”	KK Wecheck Medical Technology Limited, a company incorporated in Hong Kong with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities of the Stock Exchange
“Mr. Tsang”	Mr. Tsang Hing Bun, the former executive Director
“PRC” or “Mainland China”	the People’s Republic of China, which for the purpose of this Resumption Proposal, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Rambler”	Rambler Corporate Consultancy Limited
“Rambler Services Agreement”	the service agreement entered into between the Company and Rambler for service provided from 1 November 2015 to 31 October 2016
“Resumption Guidance”	the guidance for the resumption of trading in the Shares on the Stock Exchange as stipulated in the letters from the Stock Exchange dated 20 June 2024 and 30 October 2024 respectively
“Review Period”	the period from 1 January 2023 to 31 December 2023 and from 1 January 2024 to 31 December 2024
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Shareholder(s)”	holder(s) of the issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“T&R Payments”	purported payments by the Company and KKEC to Mr. Tsang and Rambler, as pleaded in the indorsement of claim in the writ of summons dated 9 February 2025 issued against Tsang and Rambler, excluding the Allied Charm Payment for the purpose of this resumption proposal

“US\$” United States dollars, the lawful currency of the United States

“%” per cent

By Order of the Board  
**Allegro Culture Limited**  
**Yiu Sze Wai**  
*Executive Director*

Hong Kong, 1 September 2025

*As at the date of this announcement, the Board comprises Ms. Yiu Sze Wai as executive Director; Ms. Chung Anita Mei Yiu and Ms. Sun Jing as non-executive Directors; and Ms. Tang Po Lam Paulia, Mr. Li Chaobo and Ms. Yang Wanning as independent non-executive Directors.*