China e-Wallet Payment Group Limited
中國錢包支付集團有限公司*

(a company incorporated in Bermuda with limited liability)

(Stock Code: 802)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by China e-Wallet Payment Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 and Rule 13.24A 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 the announcements of the Company dated (i) 28 March 2024, the 2023 annual report of the Company published on 29 April 2024 and the 2024 annual report of the Company published on 29 April 2025 in relation to, among others, the Company's auditor's disclaimer of opinion on the consolidated financial statements of the Group for the years ended 31 December 2023 and 2024; (ii) 28 June 2024 in relation to, among others, the letter received from the Stock Exchange setting out the guidance for the resumption of trading in the shares of the Company on the Stock Exchange (the "**Initial Resumption Guidance**"); (iii) 26 February 2025 in relation to, among others, the letter received from the Stock Exchange setting out additional guidance for the resumption of trading in the shares of the Company on the Stock Exchange (the "**Additional Resumption Guidance**"); (iv) 2 July 2024, 2 October 2024, 2 January 2025, 2 April 2025, 30 June 2025 and 30 September 2025 in relation to, among others, the quarterly update on resumption progress; and (v) 28 October 2025 in relation to, among others, the decision of the Listing Committee on cancellation of Listing (the "**Decision**") (collectively, the "**Announcements**"). Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

The purpose of this announcement is to inform the Company's shareholders and potential investors of the progress of actions recently taken by the Company in connection with fulfilling the Initial Resumption Guidance, the Additional Resumption Guidance and the latest development of the Group's business operations.

UPDATE OF BUSINESS OPERATIONS

The Group is principally engaged in provision of internet and mobile application, developing interactive virtual reality technologies (the "**Application Development Business**"), and design and distribution of computer-related, mobile-related and beauty-related electronic products and accessories, and provision of project based system solution services (the "**Electronic Products**

* *For purpose of identification only*

Business"). Since the suspension of trading in the shares of the Company and up to the date of this announcement, the Company is carrying on its business operations as usual in all material respects and will continue to closely monitor its financial position and business operations.

UPDATES ON RESUMPTION PROGRESS

Below is the Initial Resumption Guidance, the Additional Resumption Guidance and the updates on the progress of the Company's resumption plan with details of actions that the Company has taken or intends to take in fulfilling the Initial Resumption Guidance and the Additional Resumption Guidance to resume trading in the shares of the Company:

(i) Address the issues giving rise to the Disclaimer of Opinion, provide comfort that the Disclaimer of Opinion would no longer be required and disclose sufficient information to enable investors to make an informed assessment of the Company's financial positions as required under Rule 13.50A of the Listing Rules

The Company's auditor expressed the Disclaimer of Opinion on the Company's consolidated financial statements for the year ended 31 December 2023 as they were unable to:

- carry out audit procedures to satisfy themselves as to (a) the completeness of the transactions of the Group; (b) whether the income, expenses, assets, and liabilities of certain subsidiaries of the Group (the "**Subsidiaries**") have been accurately recorded and properly accounted for; (c) the accuracy of the consolidated statement of cash flows, revenue and segment information included in the consolidated financial statements for the year ended 31 December 2023; and (d) the accuracy and completeness of the disclosure regarding the contingent liabilities and commitments up to the date of approval of these consolidated financial statements; and

- obtain sufficient appropriate audit evidence to satisfy ourselves as to whether there was non-compliance with applicable laws and regulations by the Subsidiaries.

The Subsidiaries were (a) RCG Hong Kong Holdings Limited, (b) RCG (Hong Kong) Limited, (c) RCG Corporation Limited, (d) Goodwill Alliance International Limited and (e) China Union Payment Holdings Limited. The results, assets, liabilities and cash flows of the Subsidiaries were deconsolidated from the consolidated financial statements of the Group since 1 January 2024 and the Company recorded a loss on deconsolidation of the subsidiaries for the year ended 31 December 2024 (the "**Deconsolidation**"). The Company ceased to have any interests in the Subsidiaries after their disposal on 11 July 2025 (the "**Disposal**").

Further, in relation to the Disclaimer of Opinion, the Deconsolidation and the Disposal, the Company's auditor issued a comfort letter to the Company that, assuming that (i) there are no changes of the business operations and principal activities of the Group for each of the years ending 31 December 2025, 2026 and 2027; (ii) the Group's books and records are properly maintained and are sufficient to support the audit of the Group's consolidated financial statements for each of the years ending 31 December 2025, 2026, and 2027; (iii) there are no unresolved significant audit matters, apart from those previously identified in our prior audit experience, in relation to the audit of the consolidated financial statements of the Company for each of the years ending 31 December 2025, 2026 and 2027; (iv) there are no additional future events or conditions anticipated that would materially affect the Group's consolidated financial statements for the each of the years ending 31 December 2025, 2026, and 2027; and (v) the financial positions, financial performance and cash flows of the Subsidiaries were not material or significant to the consolidated financial statements of the Group for the year ending 31 December 2025, (a) qualified opinion would be issued for the auditor's opinion on the Group's consolidated financial statements for the year ending 31 December 2025; (b) opening qualification on the comparative information for the Group's consolidated financial statements for the year ending 31 December 2026; and (c) unmodified opinion for the Group's consolidated financial statements for the year ending 31 December 2027.

The Company are of the opinion that, after taking into account that (a) the Disclaimer of Opinion was based on loss of control of the Subsidiaries and was a non-recurrent event; (b) the financial impact of the loss of control of the Subsidiaries was reflected in the 2024 Annual Results and there will not be any adverse change of the consolidated financial statements of the Group in the next financial year and the subsequent years; and (c) the Subsidiaries ceased to be members of the Group since the Disposal, the issues giving rise to the Disclaimer of Opinion had been addressed and was resolved.

(ii) Demonstrate the Company's Compliance with Rule 13.24 of the Listing Rules

The Group is principally engaged in the Application Development Business and the Electronic Products Business.

Following the commencement of the loss-making settlement application business in 2016, the Group recorded net losses for nine consecutive years. In 2024, the Company discontinued such business, and focused on its Application Development Business and Electronic Products Business. This restructuring proved successful, culminating in the Group achieving net profitability for the six months ended 30 June 2025, demonstrating the viability and sustainability of its refocused operations. For the six months ended 30 June 2025, the Group reported a total revenue of approximately HK$23.25 million, representing an increase of 90.9% compared to approximately HK$12.18 million in the same period in 2024. The profit attributable to owners of the Company changed from a loss of approximately HK$23.96 million for the six months ended 30 June 2024 to a profit of approximately HK$2.92 million for the six months ended 30 June 2025, which demonstrating that the core operating businesses are now profitable and self-sustaining.

The Company will continue to review its existing businesses and its financial position from time to time and is committed to improving the existing business operations and identifying potential business to expand its source of income in order to maximise the return to the shareholders of the Company.

(iii) Inform the market of all material information for the shareholders of the Company and investors to appraise the Company's position

Since the suspension of trading in the shares of the Company on 2 April 2024, the Company has kept its shareholders and potential investors informed of all material information in relation to the issues giving rise to the Disclaimer of Opinion, the Initial Resumption Guidance, the Additional Resumption Guidance, the Decision and any relevant updates and progress by way of announcements.

The Company will continue to keep its shareholders and potential investors abreast of any relevant material development by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules.

(iv) Take appropriate steps to address the SFC Investigation Findings, including but not limited to ascertain and provide sufficient comfort on the financial impact of the SFC Investigation Findings on the financial results of the Group and disclose sufficient information to enable investors to make an informed assessment of its financial positions

The Company are of the opinion that the SFC Investigation Findings are solely related to the Subsidiaries and the Missing Management. None of existing management are (a) involved in the operation and keeping of financial records of the Subsidiaries; and (b) connected with the Missing Management. As a result of the recognition of loss on the Deconsolidation, the Company are of the opinion that the financial impact of the SFC Investigation Findings on the financial results of the Group was reflected in the 2024 Annual Results which was published on 31 March 2025. In addition, due to behavior of the Missing Management, the Company through its legal advisor has already commenced legal actions against the Missing Management. As disclosed in the Announcements, the Company appointed Infinity Advisory Limited (currently named as "**Taurus Consultancy Limited**") as the Internal Control Consultant to conduct reviews on the internal control system of the Group (the "**System**") and make appropriate recommendations. The Company has adopted the recommendations made by the Internal Control Consultant accordingly to strengthen the System to avoid the re-occurrance of similar incident.

The Company will continue to keep its shareholders and potential investors abreast of any relevant material development by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules.

(v) 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

As disclosed in the Announcements, the Company appointed the Internal Control Consultant to conduct reviews on the System, including risk management, corporate governance, financial recording and reporting, and make appropriate recommendations.

On 25 June 2025, 11 September 2025 and 17 November 2025, the Internal Control Consultant issued three internal control assessment reports (the "**IC Reports**"). As at the date of the IC Reports, all the recommendations provided by the Internal Control Consultant under the internal control review have been adopted. Based on the results of the internal control review, the Internal Control Consultant is of the view that the Company has in place adequate risk management, corporate governance and financial recording and reporting systems to discharge the Company's obligations under the Listing Rules.

(vi) Demonstrate there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's management and/or any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence

Since no former and present directors and/or management personnel who were involved in the operation and keeping of financial records of the Subsidiaries remain employed by the Group and the Subsidiaries ceased to be members of the Group, the Company are of the opinion that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's management and/or any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence.

REVIEW REQUEST OF THE DECISION

The Company received a letter from the Stock Exchange stating that the Listing Committee decided to cancel the Company's listing under Rule 6.01A(1) of the Listing Rules and, on 5 November 2025, the Company submitted a written request to refer the Decision to the Listing Review Committee of the Stock Exchange for review (the "**LRC Review**") pursuant to Chapter 2B of the Listing Rules.

The LRC Review hearing was fixed to be held on 8 January 2026. Shareholders and potential investors of the Company are reminded that the outcome of the LRC Review is uncertain. Should the Listing Review Committee uphold the Decision after the LRC Review, the listing of the Company's shares will be canceled.

Further announcement(s) will be made by the Company in respect of the LRC Review as and when appropriate. Shareholders who have any queries about the implications of the Stock Exchange's notice of proceeding to cancel the Company's listing are advised to obtain appropriate professional advice.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024 and will remain suspended until further notice. Further announcement(s) will be made by the Company in this respect as and when appropriate and in accordance with the requirements of the Listing Rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
China e-Wallet Payment Group Limited
So Han Meng Julian
Chairman and Executive Director

Hong Kong, 31 December 2025

As at the date of this announcement, the Board comprises the following Directors:

Executive Director:
Lin Chih Chia
So Han Meng Julian

Independent Non-executive Directors:
Peng Jing Yi
Tse Tung Leung, Tony
Wong Sze Lok