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## **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 and the 2023 annual report of the Company published on 29 April 2024 in relation to, among others, the Company’s auditor’s disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2023; (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**”); and (iv) 2 July 2024, 2 October 2024 and 2 January 2025 in relation to, among others, the quarterly update on resumption progress (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, and design and distribution of computer-related, mobile-related and beauty-related electronic products and accessories, and provision of project based system solution services. 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.

\* *For purpose of identification only*

## 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**

In order to address the issues giving rise to the Disclaimer of Opinion, the Company has paid effort to reach the former executive directors of the Company, including Mr. Li Jinglong, Mr. Zhang Ligong and Mr. Wang Zhongling (the "**Missing Management**"), for the purpose of obtaining the documents and records of the Group for the year ended 31 December 2023.

For avoidance of doubt, as at the date of this announcement, the Group is still not able to reach the Missing Management. As a result of the foregoing and no relevant accounting documents preserved by the Group, including but not limited to the management accounts, full set of general ledger and subledger, general journal and the supporting documents, such as files of invoices, receipts, payslips and contractual agreements, the Board considered that the control over the following subsidiaries (the "**Subsidiaries**") had been lost since 1 January 2024.

- (1) RCG Hong Kong Holdings Limited
- (2) RCG (Hong Kong) Limited
- (3) RCG Corporation Limited
- (4) Goodwill Alliance International Limited
- (5) China Union Payment Holdings Limited
- (6) 華付通聯科技(深圳)有限公司

The results, assets, liabilities and cash flows of the Subsidiaries were deconsolidated from the consolidated financial statements of the Group since 1 January 2024 (the "**Deconsolidation**"). As a result, a loss on the Deconsolidation of approximately HK\$347.0 million was recognized in the consolidated financial statements for the year ended 31 December 2024 (the "**2024 Annual Result**").

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; and 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, 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**

For the year ended 31 December 2024, the Group recorded a total revenue of approximately HK\$40.5 million and a loss for the year of approximately HK\$344.7 million. Such loss was mainly attributable to the recognition of loss on the Deconsolidation of approximately HK\$347.0 million. After adjusted this one-off loss, the Group shall record an adjusted profit for the year of approximately HK\$2.3 million. 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 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 and ceased business operation of the Subsidiaries, 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. In future, the Company will adopt the recommendations made by the Internal Control Consultant accordingly to strengthen the internal control system of the Group (the “**System**”) to avoid the re-occurrence 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**

The Company appointed the Internal Control Consultant to review the System, including risk management, corporate governance, financial recording and reporting, and make appropriate recommendations. The review are still in progress and the Company will adopt the recommendations made by the Internal Control Consultant accordingly to strengthen the System. Its' work is anticipated to be completed in mid-April 2025 and the respective report is anticipated to be available around the end of April 2025.

(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, 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.

The Company will seek to resume trading in the shares of the Company on the Stock Exchange as soon as possible. Further announcements will be made by the Company to update the shareholders of the Company and the public on, among others, the progress of the resumption plan of the Company as and when appropriate.

#### **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**  
**Lin Chih Chia**  
*Executive Director*

Hong Kong, 2 April 2025

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

*Executive Director:*  
Lin Chih Chia

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