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RISECOMM
瑞斯康

RISECOMM GROUP HOLDINGS LIMITED
瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLANS TO RESOLVE DISCLAIMER OF OPINION

References are made to (i) the annual report of Risecomm Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2025 published on 29 April 2026 (the "**Annual Report**"); and (ii) the announcements of the Company dated 24 July 2026 and 3 August 2026 in relation to, among other things, the quarterly update on the implementation of action plans to resolve the Disclaimer of Opinion (the "**Previous Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Annual Report and the Previous Announcements.

UPDATE ON ACTION PLANS TO RESOLVE THE DISCLAIMER OF OPINION

The Company hereby provides an update on the progress of the Action Plans as disclosed in the Previous Announcements since the last quarterly update and up to the date of this announcement as follows:

1. Cost control measures and business operations

The Group has continued to implement cost control measures, streamline its organisational structure and optimise the allocation of its resources with a view to improving operational and cost efficiency. The Group has also continued to control administrative expenses and non-essential capital expenditure to preserve liquidity.

As previously stated in the circular of the Company dated 31 August 2026 (the "**Circular**"), Risecomm Microelectronics (Shenzhen) Co., Ltd. has entered into contracts with two new customers for the supply of intelligent power distribution gateways, with the total contract value in aggregate of approximately RMB50 million. The deliveries of relevant products are expected to be completed by the end of 2026. These contracts forms part of the Group's efforts to expand sales in its AMR business and improve its operating cash flow. The Group will continue to pursue opportunities in its existing businesses.

2. Loan capitalisation and placing of new shares of the Company

References are made to (i) the announcements of the Company dated 27 May 2026, 3 June 2026, 17 September 2026, 25 September 2026 and 30 September 2026 (the "**Transaction Announcements**"); and (ii) the Circular in relation to, among other things, the loan capitalisation (the "**Loan Capitalisation**") and the placing of new shares of the Company (the "**Placing**"). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Transaction Announcements and the Circular.

The Loan Capitalisation Completion took place on 30 September 2026. Upon the Loan Capitalisation Completion, the Company (i) allotted and issued an aggregate of 69,816,957 Capitalisation Shares to the Subscribers at HK$0.46 per Capitalisation Share; and (ii) issued the Bonds in an aggregate principal amount of HK$128,463,200 to the Subscribers. Based on the initial conversion price of HK$0.46 per Conversion Share, the Bonds are convertible into a maximum of 279,267,825 Conversion Shares, subject to the terms of the Bonds. As at the date of this announcement, none of the Bonds has been converted into Conversion Shares.

The Capitalisation Shares and the Bonds were issued to settle the Subscriber Loans by way of offsetting the loans owed by the Company to the Subscribers. The Loan Capitalisation did not generate any cash proceeds. It enabled the Group to settle the Subscriber Loans without using its existing cash resources and replaced part of those loans with the Bonds, thereby alleviating immediate repayment pressure and reducing interest payments in respect of the Subscriber Loans. The Bonds remain subject to their conversion and redemption terms.

The Placing Agreement was entered into on 27 May 2026. As the conditions precedent were not fulfilled on or before the Placing Long Stop Date on 30 September 2026, the Placing Agreement lapsed accordingly. Accordingly, the Company did not receive the anticipated proceeds from the Placing, which had been intended for repayment of the FXQ Loan and the CL Loan.

As disclosed in the announcement dated 30 September 2026 (the "**Completion Announcement**"), following the Loan Capitalisation Completion, the Group's total liabilities and current liabilities would be reduced to approximately RMB192.7 million and RMB103.2 million, respectively. The remaining liabilities mainly consist of the FXQ Loan, the CL Loan and bank borrowings, being current liabilities in an aggregate amount of approximately RMB36.9 million and the long-term liabilities in relation to the Bonds (liability component) in an amount of approximately RMB79.4 million.

Following the lapse of the Placing, the Company continues to evaluate alternative arrangements for repayment of the FXQ Loan and the CL Loan, including renegotiation of the repayment schedules with Ms. Fu and Clear Jolly. As at the date of this announcement, no agreement has been reached in respect of any amendment or extension of repayment schedules. The Directors will continue to evaluate alternative ways to repay the said loans.

3. Financial support and liquidity management

The management of the Group continues to prepare and review cash flow forecasts, closely monitor the Group's bank and cash balances and manage its working capital requirements and repayment obligations.

As disclosed in the announcement dated 3 August 2026 (the "**Clarification Announcement**"), our shareholder Mr. Ning Jun ("**Mr. Ning**") had agreed in principle in February 2026 to provide financial support to the Group as and when required, subject to the finalisation of definitive terms. Mr. Ning was not a substantial shareholder of the Company at the time of the Clarification Announcement but became a substantial shareholder following the Loan Capitalisation Completion, taking into account his direct and indirect shareholdings in the Company.

Following the lapse of the Placing, the Company remains in discussions with Mr. Ning regarding the terms of such financial support. The Company will continue these discussions with reference to the Group's updated cash flow forecasts and upcoming repayment obligations. As at the date of this announcement, no definitive agreement or arrangement has been entered into in relation to such financial support.

The Board will continue to implement the above Action Plans on a best efforts basis, with a view to addressing the matters giving rise to the Disclaimer of Opinion as soon as possible. The Company will publish further announcements in due course to inform shareholders and potential investors of the Company of updates on the Action Plans.

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

By order of the Board
Risecomm Group Holdings Limited
Ye Bailing
Executive Director

Hong Kong, 28 October 2026

As at the date of this announcement, the executive Directors are Mr. Tsang Wah Tak, Brian and Ms. Ye Bailing, the non-executive Directors are Ms. Guo Lei and Mr. Yu Lu, and the independent non-executive Directors are Mr. Victor Yang, Ms. Lo Wan Man and Mr. Lam Yuet Ping.