Swang Chai Chuan Limited
雙財莊有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2321)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Reference is made to the annual report for the year ended 31 December 2024 ("**2024 Annual Report**") of Swang Chai Chuan Limited (the "**Company**" together with its subsidiaries, the "**Group**"). Capitalised terms used herein shall have the same meanings as those defined in 2024 Annual Report unless otherwise specified.

In addition to the information provided in 2024 Annual Report, the Company wishes to provide the following supplemental information. This supplemental announcement should be read in conjunction with the heading of "Use of proceeds from the initial listing" disclosed on pages 9 to 11 of 2024 Annual Report.

THE AMOUNT OF PROCEEDS BROUGHT FORWARD

The following table sets forth the amount of proceeds brought forward:–

Business Objectives	**Balance of unutilised proceeds as at 31 December 2023** *HK$ million*
Further enhancement to distribution and sales capabilities	39.8
Development in own products business	12.1
Development in e-commerce mobile platform	6.9
Strategic acquisitions and investments	15.2
General working capital	–
Total	74.0

REASONS FOR MATERIAL CHANGE IN THE USE OF PROCEEDS

As disclosed in the announcement of the Company published on 10 December 2024 (the "**Previous Announcement**"), the Company had reallocated the net proceeds of approximately HK$21.9 million (the "**Net Proceeds**") originally designated for (i) the development of e-commerce business by launching a mobile application of approximately HK$6.7 million; and (ii) strategic acquisitions and investments of approximately HK$15.2 million along the Group's supply value chain towards the further enhancement of the Group's distribution and sales capabilities by investing in cold chain and other infrastructure.

The Group was exploring the development of the Group's own e-commerce business but found it to be more efficient to utilise other existing e-commerce platforms. In addition, the Group has not identified any potential targets for acquisitions and investments up to date of the Previous Announcement. Therefore, the Net Proceeds allocated for the development of e-commerce business by launching a mobile application and for the strategic acquisitions and investments along the Group's supply value chain has yet to be utilized.

Meanwhile, the Group has announced that, on 10 July 2024, Chop Chin Huat Sdn Bhd, an indirect wholly owned subsidiary of the Company, has entered into the sale and purchase agreement with Lestari Duta Sdn Bhd in relation to the acquisition of land located at the district of Seberang Perai Utara, State of Pulau Pinang, Malaysia measuring approximately 162,405 square feet at a consideration of RM11.86 million (equivalent to approximately HK$19.69 million) (the "**Acquisition**"). The Group intends to construct a self-owned warehouse on this land for the purpose of its business development as brand owners prefer distributor which has their own warehouse with sufficient storage spaces for their products. Therefore, the Acquisition and setting up of a new self-owned warehouse would assist the Group in securing more distributorship in the northern region of Malaysia in the future.

For the acquiring of new processing machines for processing the Group's own products and for conducting marketing and promotional activities for the Group's own brand products, the Group have utilized approximately HK$7.7 million out of the approximately HK$19.0 million as at 30 June 2024 as the Group are still in the midst of upgrading the processing machines and the marketing and promotional activities are prudently utilised.

Having considered the above, and after due and careful evaluation of the Group's operation and financial needs, the Board is of the view that the reallocation of the Net Proceeds to finance part of the Acquisition and the cost of constructing the self-owned warehouse, is in line with Group's strategy to further enhance its distribution and sales capabilities by investing in cold chain and other infrastructure.

The supplemental information in this announcement does not affect any other information contained in 2024 Annual Report. Save for the above, all other information in 2024 Annual Report remains unchanged.

By Order of the Board
Swang Chai Chaun Limited
Soon See Beng
Chairman and Chief Executive Officer

Hong Kong, 12 September 2025

As at the date of this announcement, the Executive Directors are Mr. Soon See Beng, Mr. Soon Chiew Ang and Mr. Soon See Long; and the Independent Non-executive Directors are Mr. Lee Teck Hoe, Datuk Tan Teow Choon, Mr. Lum Kan Fai and Ms. Saw Chooi Lee.