Swang Chai Chuan Limited
雙 財 莊 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2321)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2025 (the "**Reporting Period**"):

- Revenue for the Reporting Period improved by approximately 2.2% year-to-year to approximately RM932.9 million, as compared with the revenue of approximately RM913.0 million for the year ended 31 December 2024 (the "**Preceding Year**").

- Profit for the Reporting Period attributable to owners of the Company amounted to approximately RM33.2 million (2024: profit attributable to owners of the Company approximately RM28.1 million).

- Basic earnings per share for the Reporting Period was 3.32 sen as compared with the basic earnings per share of 2.81 sen for the Preceding Year.

- The Directors of the Company do not recommend payment of any final dividend to shareholders of the Company for the Reporting Period.

The board (the "**Board**") of directors (the "**Directors**") of Swang Chai Chuan Limited (the "**Company**") is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "**Group**") for the Reporting Period, together with the comparative figures for the Preceding Year as follows.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	**2025**	2024
		RM'000	*RM'000*
Revenue	*4*	**932,888**	913,008
Cost of sales		**(810,968)**	(799,524)
Gross profit		**121,920**	113,484
Other income	*5*	**4,177**	3,022
Selling and distribution expenses		**(57,735)**	(52,880)
Administrative and other operating expenses		**(24,157)**	(25,800)
Finance costs	*6*	**(2,420)**	(1,316)
Share of results of an associate		**(11)**	65
Profit before tax	*6*	**41,774**	36,575
Income tax expenses	*7*	**(8,536)**	(8,512)
Profit for the year		**33,238**	28,063
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company's financial statements to presentation currency		**(4,507)**	280
Items that may be reclassified subsequently to profit or loss			
Exchange differences on consolidation		**4,000**	527
Total other comprehensive income for the year		**(507)**	807
Total comprehensive income for the year		**32,731**	28,870
Earnings per share attributable to owners of the Company:			
– Basic and diluted	*8*	**3.32 sen**	2.81 sen

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	**2025** ***RM'000***	2024 *RM'000*
Non-current assets			
Property, plant and equipment		**60,764**	46,535
Right-of-use assets		**13,636**	14,289
Investment in an associate		**97**	107
Deferred tax assets		**829**	1,716
		75,326	62,647
Current assets			
Inventories		**93,418**	83,858
Trade and other receivables	*10*	**167,869**	155,835
Fixed deposits with licensed banks		**77,890**	33,138
Income tax recoverable		**994**	2,056
Bank balances and cash		**31,734**	54,410
		371,905	329,297
Current liabilities			
Trade and other payables	*11*	**83,367**	88,677
Interest-bearing borrowings		**43,507**	22,962
Lease liabilities		**964**	824
		127,838	112,463
Net current assets		**244,067**	216,834
Total assets less current liabilities		**319,393**	279,481

	Note	2025 RM'000	2024 RM'000
Non-current liabilities			
Interest-bearing borrowings		**43,646**	27,913
Lease liabilities		**1,622**	2,020
Deferred tax liabilities		**445**	1,291
		45,713	31,224
NET ASSETS		**273,680**	248,257
Capital and reserves			
Share capital	*12*	**5,707**	5,707
Reserves		**267,973**	242,550
TOTAL EQUITY		**273,680**	248,257

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

Swang Chai Chuan Limited (the "**Company**" together with its subsidiaries are collectively referred to as the "**Group**") was incorporated in the Cayman Islands as an exempted company with limited liability on 14 February 2019. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 19 August 2022 (the "**Listing**"). The address of the Company's registered office is Suite 210, 2nd Floor, Windward III, Regatta Office Park, Grand Cayman KY1-1106, Cayman Islands. The Company's principal place of business is situated at Units 501-2, 5/F, Tai Tung Building, 8 Fleming Road, Wanchai, Hong Kong and the Group's headquarter is situated at Lot 147-A, Kawasan Perindustrian Semambu, 25350 Kuantan, Pahang, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in distribution and sales of food and beverages ("**F&B**") and provision of logistics, warehousing and other services in Malaysia.

The holding company of the Company is Soon Holdings Limited ("**Soon Holdings**"), which is incorporated in the British Virgin Islands (the "**BVI**"). In the opinion of the directors of the Company, the ultimate controlling parties are Mr. Soon See Beng ("**SB Soon**"), Mr. Soon See Long ("**SL Soon**"), Mr. Soon Chiew Ang ("**CA Soon**") and Ms. Soon Lee Shiang ("**LS Soon**") (together the "**Ultimate Controlling Party**"), who have been acting in concert over the course of the Group's business history.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**"), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. The consolidated financial statements also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The consolidated financial statements are presented in Malaysian Ringgit ("**RM**") and all amounts have been rounded to the nearest thousand ("**RM'000**"), unless otherwise indicated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the following new/revised IFRS Accounting Standards that are relevant to the Group and effective from the current period.

Changes in accounting policies

The Group has applied, for the first time, the following new / revised IFRS Accounting Standards that are relevant to the Group in current period.

Amendments to IAS 21	Lack of Exchangeability

Amendments to IAS 21: Lack of Exchangeability

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendment does not have any significant impact on the consolidated financial statements.

Basis of measurement

The measurement basis used in the preparation of the consolidated financial statements is the historical cost.

Basis of consolidations

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRS Accounting Standards.

3. SEGMENT INFORMATION

The directors of the Company have determined that the Group has only one operating and reportable segment throughout the years ended 31 December 2025 and 2024, as the Group manages its business as a whole as the businesses of distribution and sales of F&B and provision of logistics, warehousing and other services are carried out in Malaysia and the executive directors of the Company, being the chief operating decision-makers of the Group, regularly review the internal financial reports on the same basis for the purposes of allocating resources and assessing performance of the Group. Segment information is not presented accordingly.

The Company is an investment holding company and the principal place of the Group's operation is in Malaysia. All of the Group's revenue from external customers during the years ended 31 December 2025 and 2024 is derived from Malaysia and almost all of the Group's assets (except for certain fixed deposits with licensed banks and bank balances) and liabilities are located in Malaysia.

Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group for the years ended 31 December 2025 and 2024.

4. REVENUE

	2025	2024
	RM'000	*RM'000*
Revenue from contracts with customers within IFRS 15		
At a point in time		
Distribution and sales of F&B	**922,163**	902,782
Over time		
Provision of logistics, warehousing and other services	**10,725**	10,226
	932,888	913,008

The amount of revenue recognised for the year ended 31 December 2025 that were included in the contract liabilities in relation to the Marketing incentives at the beginning of the reporting period was approximately RM6,375,000 (2024: RM4,567,000) (Note 11(b)).

5. OTHER INCOME

	2025	2024
	RM'000	*RM'000*
Interest income	**2,560**	1,345
Gain on disposal of property, plant and equipment, net	**14**	51
Rental income	**271**	915
Bad debts recovery	**102**	69
Gain on derecognition due to lease termination	**1**	5
Compensation received from supplier	**581**	-
Sundry income	**648**	637
	4,177	3,022

6. PROFIT BEFORE TAX

This is stated after charging (crediting):

	2025 *RM'000*	2024 *RM'000*
Finance costs		
Interest on bank overdrafts	**–**	1
Interest on interest-bearing borrowings	**2,279**	1,070
Interest on lease liabilities	**141**	245
	2,420	1,316
Staff costs (including directors' emoluments)		
Salaries, discretionary bonus, allowances and other benefits in kind	**43,510**	41,011
Contributions to defined contribution plans	**3,319**	3,257
	46,829	44,268
Other items		
Cost of inventories	**796,841**	785,314
Auditors' remuneration		
– Audit services	**552**	530
– Non-audit services	**102**	95
Depreciation of property, plant and equipment (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	**5,189**	4,885
Depreciation of right-of-use assets (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	**1,341**	1,279
Exchange (gain)/loss, net	**(845)**	(1,211)
Expenses recognised under short-term leases	**458**	61
Bad debts written off	**186**	370
Fixed assets written off	**–**	630

7. TAXATION

	2025 *RM'000*	2024 *RM'000*
Current tax		
Malaysia corporate income tax ("**Malaysia CIT**")	**10,229**	7,561
Overprovision in the previous financial year	**(1,833)**	–
Malaysia real property gain tax	**99**	–
	8,495	7,561
Deferred tax		
Changes in temporary differences	**(19)**	951
Underprovision in the previous financial year	**60**	–
	41	951
Total tax expenses for the year	**8,536**	8,512

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the years ended 31 December 2025 and 2024.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax ("**CIT**") therein.

Malaysia CIT is calculated at 24% (2024: 24%) of the estimated assessable profits for the year ended 31 December 2025.

For the years ended 31 December 2025 and 31 December 2024, one of the Group subsidiaries, SCC Logistics Sdn. Bhd., has been granted an economic regional special incentive issued by the relevant government authority in Malaysia. Subject to this incentive, SCC Logistics Sdn. Bhd. is eligible for exemption from 70% of its chargeable income on eligible activities.

Reconciliation of income tax expenses

	2025	2024
	RM'000	*RM'000*
Profit before tax	**41,774**	36,575
Income tax at statutory tax rate applicable in respective territories	**10,026**	8,778
Non-deductible expenses	**1,974**	1,448
Tax concessions	**(1,374)**	(1,365)
Real property gains tax upon disposal of properties	**99**	–
Overprovision of current tax in the previous financial year	**(1,833)**	-
Underprovision of deferred tax in the previous financial year	**60**	–
Utilisation of DTA not recognised in previous financial year	**(416)**	(349)
Income tax expenses	**8,536**	8,512

8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following information:

	2025	2024
	RM'000	*RM'000*
Profit for the year attributable to owners of the Company, used in basic and diluted earnings per share calculation	**33,238**	28,063
Number of shares:	***'000***	*'000*
Weighted average number of ordinary shares for basic and diluted earnings per share calculation	**1,000,150**	1,000,150

The calculation of basic and diluted earnings per share is based on the profit attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year ended 31 December 2025.

Diluted earnings per share are same as the basic earnings per share as there are no potential dilutive ordinary shares in existence for the years ended 31 December 2025 and 2024.

9. DIVIDENDS

	2025 *RM'000*	2024 *RM'000*
Special dividends declared to the owners of the Company HK$0.0135 (2024: HK$0.0135) per ordinary share	**7,307**	8,138

On 31 July 2025, the directors of the Company announced that it had resolved to declare the payment of a special dividend to the shareholders whose names appear on the Company's register of members at the close of business on 20 August 2025. The dividend payables were fully settled on 10 September 2025 by cash.

The Directors did not recommend payment of any final dividend for the year ended 31 December 2025 (2024: Nil).

10. TRADE AND OTHER RECEIVABLES

	Note	2025 *RM'000*	2024 *RM'000*
Trade receivables			
From related parties		**1,296**	1,184
From third parties	*(a)*	**129,646**	133,424
		130,942	134,608
Less: Loss allowances		**(4,841)**	(4,841)
	(b)	**126,101**	129,767
Other receivables			
Deposits paid to suppliers		**1,863**	8,306
Deposit paid for acquisition of land		**28,206**	8,397
Deposits paid for acquisition of computer software		**–**	44
Prepayment		**282**	–
Accrued income		**8,648**	7,849
Interest receivable		**1,320**	30
Other deposits and receivables		**49**	42
Amount due from an associate *(Note i)*		**1,400**	1,400
		41,768	26,068
		167,869	155,835

Notes:

i The amounts due from an associate are non-trade in nature, unsecured, interest-free and repayable on demand.

ii The Group's other receivables were expected to be recovered within one year.

10(a) Trade receivables from related parties

The trade receivables from related parties are unsecured, interest-free and have credit terms up to 60 days from the date of issuance of invoices. No provision has been made for non-repayment of the amounts due during the year ended 31 December 2025 (2024: Nil). The Group does not hold any collateral over these balances.

	Maximum amount outstanding during the year *RM'000*	**Balance at 31 December 2025** *RM'000*
Alfa Indah (Beserah) Sdn. Bhd. ("**Alfa Indah (Beserah)**") *(Note 10(a)(i))*	**335**	**259**
Alfa Indah (Jaya Gading) Sdn. Bhd. ("**Alfa Indah (Jaya Gading)**") *(Note 10(a)(ii))*	**204**	**171**
Golden Empire Palace Restaurant Sdn. Bhd. ("**Golden Empire**") *(Note 10(a)(viii))*	**2**	**1**
Just Relax Restaurant *(Note 10(a)(iii))*	**47**	**44**
Megamart Sdn. Bhd. ("**Megamart**") *(Note 10(a)(v))*	**1,094**	**799**
Owl café *(Note 10(a)(iii))*	**3**	**1**
Pak Su Seafood Restaurant Sdn. Bhd. ("**Pak Su Seafood**") *(Note 10(a)(iv))*	**16**	**6**
The Eight Th *(Note 10(a)(vi))*	**11**	**9**
The Nine Th *(Note 10(a)(vii))*	*****	**–**
The Sixteen Live House *(Note 10(a)(vii))*	**8**	**6**
	1,720	**1,296**

* *Represent amounts less than RM1,000.*

	Maximum amount outstanding during the year *RM'000*	Balance at 31 December 2024 *RM'000*
Alfa Indah (Beserah) *(Note 10(a)(i))*	390	293
Alfa Indah (Jaya Gading) *(Note 10(a)(ii))*	187	169
Golden Empire *(Note 10(a)(viii))*	2	1
Just Relax Restaurant *(Note 10(a)(iii))*	45	40
Megamart *(Note 10(a)(v))*	823	661
Owl café *(Note 10(a)(iii))*	26	2
Pak Su Seafood *(Note 10(a)(iv))*	16	6
The Eight Th *(Note 10(a)(vi))*	16	12
The Nine Th *(Note 10(a)(vii))*	*	*
	1,505	1,184

Notes:

i. At 31 December 2025 and 2024, 16.67% equity interests of Alfa Indah (Beserah) was held by SB Soon.

ii. At 31 December 2025 and 2024, 15% equity interests of Alfa Indah (Jaya Gading) was held by SB Soon.

iii. At 31 December 2025 and 2024, CA Soon, and his spouse, Ms. Ng Kar Wei ("**KW Ng**") were the partners of Just Relax Restaurant and Owl café.

iv. At 31 December 2025 and 2024, 80% and 20% equity interests of Pak Su Seafood was held by the Ultimate Controlling Party and Lim Tau Hong ("**TH Lim**"), respectively.

v. At 31 December 2025 and 2024, 25%, 26% and 49% equity interests of Megamart were held by SB Soon, TH Lim, who is the spouse of LS Soon, and Mack Food Pte Ltd., which equity interests are equally held by SB Soon and TH Lim, respectively.

vi. At 31 December 2025 and 2024, CA Soon and SL Soon were the partners of The Eight Th.

vii. At 31 December 2025 and 2024, CA Soon and KW Ng, who is the spouse of CA Soon, were the partners of The Nine Th and The Sixteen Live House.

viii. At 31 December 2025 and 2024, 1% and 8% equity interests of Golden Empire was held by SL Soon and TH Lim, respectively.

10(b) Trade receivables

The ageing analysis of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	2025	2024
	RM'000	*RM'000*
Within 30 days	**69,612**	67,325
31 to 60 days	**41,497**	45,890
61 to 90 days	**12,809**	11,886
Over 90 days	**2,183**	4,666
	126,101	129,767

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	2025	2024
	RM'000	*RM'000*
Not yet past due	**109,061**	118,351
Past due:		
Within 30 days	**9,879**	7,891
31 to 60 days	**6,592**	2,574
61 to 90 days	**569**	951
	17,040	11,416
	126,101	129,767

The Group normally grants credit terms up to 90 days from the date of issuance of invoices.

11. TRADE AND OTHER PAYABLES

		2025	2024
	Note	***RM'000***	*RM'000*
Trade payables			
To third parties		**62,601**	69,385
To an associate		**19**	43
	11(a)	**62,620**	69,428
Other payables			
Contract liabilities – marketing incentives	*11(b)*	**5,044**	6,447
Contract liabilities – receipts in advance	*11(c)*	**2,026**	–
Salary payables		**4,249**	5,020
Other accruals and other payables		**9,222**	7,782
Rental and other deposits		**206**	–
		20,747	19,249
		83,367	88,677

11(a) Trade payables

The trade payables are interest-free and with normal credit terms up to 60 days.

As at 31 December 2025, the carrying amounts of trade payables are denominated in Australian Dollars, Euro, Thai Baht, United States Dollars and Renminbi of approximately RM288,000 (2024: RM1,948,000), RM nil (2024: RM681,000), RM742,000 (2024: RM1,091,000), RM nil (2024: RM668,000) and RM nil (2024: RM155,000), respectively.

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	2025	2024
	RM'000	*RM'000*
Within 30 days	**26,950**	29,691
31 to 60 days	**24,110**	24,534
61 to 90 days	**11,318**	14,311
Over 90 days	**242**	892
	62,620	69,428

11(b) Contract liabilities – marketing incentives

The balance represented accumulated unused obligations on the marketing incentives offered to customers at the end of each reporting period. The movements (excluding those arising from increase and decrease both occurred within the same reporting period) of such contract liabilities within IFRS 15 are as follows:

	2025	2024
	RM'000	*RM'000*
At the beginning of the reporting period	**6,447**	4,579
Additions, net	**4,972**	6,435
Revenue recognised for the reporting period *(Note 4)*	**(6,375)**	(4,567)
At the end of the reporting period	**5,044**	6,447

The contract liabilities of approximately RM5,044,000 (2024: RM6,447,000) at 31 December 2025, represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of each reporting period. The Group expects the transaction price of approximately RM5,044,000 (2024: RM6,447,000) at 31 December 2025, allocated to the unsatisfied performance obligations will be recognised as revenue in one year or less when the obligations are performed.

11(c) Contract liabilities – receipts in advance

The balance represented receipts in advance with customers at the end of each reporting period. The movements (excluding those arising from increase and decrease both occurred within the same reporting period) of such contract liabilities within IFRS 15 are as follows:

	2025	2024
	RM'000	*RM'000*
At the beginning of the reporting period	**–**	1,108
Additions	**2,026**	-
Revenue recognised for the reporting period	**–**	(1,108)
At the end of the reporting period	**2,026**	–

The contract liabilities of approximately RM2,026,000 (2024: approximately RM nil) at 31 December 2025, represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of each reporting period. The Group expects the transaction price of approximately RM2,026,000 (2024: approximately RM nil) at 31 December 2025, allocated to the unsatisfied performance obligations will be recognised as revenue in one year or less when the obligations are performed.

12. SHARE CAPITAL

	Number of shares		**Equivalent to approximately**
	'000	***HK$'000***	***RM'000***
Ordinary share of HK$0.01 each			
Authorised:			
At 1 January 2024, 31 December 2024, **1 January 2025 and 31 December 2025**	**1,500,000**	**15,000**	**8,474**
Issued and fully paid:			
At 1 January 2024, 31 December 2024, **1 January 2025 and 31 December 2025**	**1,000,150**	**10,002**	**5,707**

13. CAPITAL COMMITMENT

Significant capital expenditure contracted for at the end of each of the reporting period but not recognised as liabilities is as follows:

	2025	2024
	RM'000	*RM'000*
Freehold land	**–**	3,557

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY BACKGROUND

The Group is a well-established food & beverage (the "**F&B**") distributor located in Malaysia. The Group distributes a great selection of products comprising more than 200 renowned international, domestic third-party and own brands. Apart from F&B products such as dairy products, frozen food, packaged food and commodities, sauce, oil and condiments, beverages and speciality products, the Group also provides non-F&B options, which include personal and baby care products, pet care and cleaning and kitchen supplies. Furthermore, the Group has a broad sales network which allows a high level of customer reach via hypermarket/supermarket chains, provision shops, convenience stores/kiosks, F&B dealers and merchandisers, hotels/restaurants/cafes and school canteens. On top of supplying products to customers, the Group also offers other services such as warehousing, logistics, sales and marketing support and other services, which enhance consumers' experience.

BUSINESS REVIEW AND PROSPECTS

In line with management's vision to further expand the business, broaden product offerings, and better serve communities, the Group has accelerated its growth by increasing its storage capacity and expanding its logistics fleet.

As at the end of 2025, the Group operates a total of nine self-owned and four leased warehouses strategically located across Malaysia, including East Malaysia, contributing to an aggregate designated storage capacity of 35,602 m^3.

In addition to its existing warehouses, the Group, through its wholly owned subsidiary, has acquired a parcel of land measuring 162,405 sq ft in the northern region and plans to construct a new warehouse, which is expected to be completed in the second half of 2026.

Furthermore, the Group owns a fleet of 177 self-operated logistics vehicles, enabling the Group to enhance its quality of delivery and distribution services to a higher level.

The Group has also been actively sourcing new principals and improving its product mix to better serve its customers.

FINANCIAL OVERVIEW

Revenue

The Group's revenue is primarily generated from (i) the distribution and sales of fast-moving consumer goods ("**FMCG**") where majority are F&B products, and (ii) the provision of logistics, warehousing and other services. For the year ended 31 December 2025 (the "**Reporting Period**"), the Group's revenue improved by approximately RM19.9 million or 2.2% from approximately RM913.0 million in 31 December 2024 (the "**Preceding Year**") to approximately RM932.9 million for the Reporting Period mainly due to the increase in distribution revenue from third party brands amounting to approximately RM20.0 million. The increase in revenue from third party brands is mainly attributed to personal care & baby care product, cleaning and kitchen supplies, beverage, frozen food and sauce, oil & condiment with increase of approximately RM47.1 million, offset with drop in sales of packaged food and commodities of RM26.5 million.

Gross profit

The gross profit margin increased to approximately 13.1% in the Reporting Period as compared to approximately 12.4% in the Preceding Year. The increase in the gross profit margin was due to the result of competitive price strategy and increased in sales of higher margin product, including house-brand products.

Other income

Other income mainly consists of interest income, sundry income, and other miscellaneous income. Other income increased by approximately RM1.2 million, or 38.2%, from approximately RM3.0 million in the Preceding Year to approximately RM4.2 million in the Reporting Period. The increase was mainly attributable to higher interest income generated during the year, driven by higher cash and bank balances, as well as compensation received from supplier on early termination of contract.

Selling and distribution expenses

Selling and distribution expenses primarily comprise (i) staff costs, (ii) transportation expenses, (iii) vehicle maintenance expenses, (iv) marketing and advertising expenses, and (v) other expenses. Selling and distribution expenses increased by approximately RM4.9 million, or 9.1%, from approximately RM52.9 million in the Preceding Year to approximately RM57.7 million in the Reporting Period. This increase was mainly due to (a) higher sales and marketing expenses spent on house-brand, driven by product launches, promotional activities, and an expanded product offering in the market, (b) increased salaries and wages from hiring of marketing staffs and yearly salary increment, and (c) sampling expenses from distributing product samples to customers and potential customers as part of marketing initiatives to expand market presence.

Administrative and other operation expenses

Administrative and other operating expenses primarily comprise of (i) staff costs which include Directors' remuneration, (ii) utility expenses, (iii) insurance, (iv) depreciation, (v) foreign exchange gain/losses, (vi) professional fees, and (vii) others. Administrative and other operating expenses decreased by approximately RM1.6 million or 6.4%, from approximately RM25.8 million in the Preceding Year to approximately RM24.2 million in the Reporting Period. The decrease was mainly attributable to lower staff-related costs by RM1.5 million, driven by adjustments to bonus provisions from 2024, as well as the absence of fixed asset write-offs during the year. In the Preceding Year, losses from the write-off of fixed assets amounted to approximately RM0.6 million.

Finance costs

Finance costs mainly represent interest on interest-bearing borrowings and lease liabilities. The Group's finance costs increased by approximately RM1.1 million, or 83.9%, from approximately RM1.3 million in the Preceding Year to approximately RM2.4 million in the Reporting Period, mainly due to interest incurred from the drawdown of a new term loan facility utilised for the purchase of land.

Income tax expenses

Income tax expenses primarily consist of current, deferred income tax and Malaysian real property gain tax at the applicable tax rate in accordance with the relevant laws and regulations in Malaysia. No provision for Hong Kong profit tax has been made as the Group has no assessable profits arose in or derived from Hong Kong. The Group entities established in the Cayman Islands and the British Virgin Islands are exempted from Cayman Islands/ British Virgin Islands corporate income tax. Income tax expenses for the Reporting Period increased by approximately RM24,000 or 0.3% to approximately RM8.54 million from approximately RM8.51 million in the Preceding Year. The increase in income tax expenses was mainly due to higher revenue and chargeable profit in the Reporting Period.

Profit for the Reporting Period and net profit margin

As a result of the foregoing, the Group recorded a profit for the year of approximately RM33.2 million in the Reporting Period and RM28.1 million in the Preceding Year. The net profit margin of the Group increased to 3.6% in the Reporting Period from 3.1% in the Preceding Year mainly due to the increase in gross profit margin as explained above.

OTHER INFORMATION

Use of proceeds from the initial listing

On 19 August 2022 (the "**Listing Date**"), the shares of the Company (the "**Share**") were listed on the Main Board of the Stock Exchange through an issuance of 241,000,000 shares at the offer price of HK$0.56 per Share (the "**Share Offer**") for a gross proceeds of approximately HK$135.0 million in accordance with the proposed application set out in the section headed "Net Proceeds From The Global Offering" in the announcement of offer price and allotment result dated 18 August 2022.

On 9 September 2022, the over-allotment options was fully exercised and the Company issued 36,150,000 shares additional new shares at HK$0.56 each to cover the over-allocations in the international offering and with a gross proceeds of approximately HK$20.2 million.

After deducting share issuance expense and professional fee regarding to the Share Offer, the net proceeds amounted to approximately HK$105.2 million. Utilisation of the proceeds (adjusted on pro rata basis based on the actual net proceeds) up to 10 December 2024 are as per followings:

	Planned use of net proceeds *HK$ million*	**Balance of unutilised proceeds as at 31 December 2023** *HK$ million*	**Actual use of proceeds from 1 January 2024 to 10 December 2024** *HK$ million*	**Actual use of proceeds as at 10 December 2024** *HK$ million*	**Balance of unutilised proceeds as at 10 December 2024** *HK$ million*
Business Objectives					
Further enhancement to distribution and sales capabilities	50.3	39.8	15.5	26.0	24.3
Development in own products business	19.0	12.1	2.2	9.1	9.9
Development in e-commerce mobile platform	7.3	6.9	0.2	0.6	6.7
Strategic acquisitions and investments	18.1	15.2	–	2.9	15.2
General working capital	10.5	–	–	10.5	–
	105.2	74.0	17.9	49.1	56.1

On 10 December 2024, the Group announced that the unutilised net proceeds were reallocated to further enhancement to the Group's distribution and sales capabilities. Details of the reasons of change in use of proceeds and extension of expected timeline for use of proceeds are disclosed in the announcement of the Company published on 10 December 2024.

	Revised planned use of net proceeds *HK$ million*	Unutilised amount of the net proceeds as at 10 December 2024 *HK$ million*	Actual use of proceeds from 10 December 2024 to 31 December 2024 *HK$ million*	Balance of unutilised proceeds as at 31 December 2024 *HK$ million*	Expected timeline for unutilised proceeds
Further enhancement to distribution and sales capabilities	72.2	46.2	0.3	45.9	31 December 2026
Development in own products business	19.0	9.9	–	9.9	31 December 2026
	91.2	56.1	0.3	55.8	

Utilisation of the proceeds as at 31 December 2025 are as per followings:

	Revised planned use of net proceeds *HK$ million*	Balance of unutilised proceeds as at 31 December 2024 *HK$ million*	Actual use of proceeds from 1 January 2025 to 31 December 2025 *HK$ million*	Actual use of proceeds as at 31 December 2025 *HK$ million*	Balance of unutilised proceeds as at 31 December 2025 *HK$ million*	Expected timeline for unutilised proceeds
Further enhancement to distribution and sales capabilities	72.2	45.9	7.2	33.5	38.7	31 December 2026
Development in own products business	19.0	9.9	2.6	11.7	7.3	31 December 2026
	91.2	55.8	9.8	45.2	46.0	

We will continuously evaluate, reassess, change or modify the existing plans and explore new business opportunities after taking into consideration the latest market condition with an aim to achieve sustainable business growth and to bring long-term benefits for the Shareholders.

As at 31 December 2025, the net proceeds of approximately HK$46.0 million had not yet been utilised as planned (the "**Unutilised Net Proceeds**"), but is expected to be utilised by the financial year ending 31 December 2026. All the Unutilised Net Proceeds have been placed in licensed banks in Hong Kong and Malaysia.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The Group generally finances its operations primarily through bank borrowings and internal resources. Following the completion of the Share Offer in August 2022, the net proceeds from the Share Offer are expected to provide additional funds for future cash requirements. It is anticipated that the Group has sufficient working capital to fund its future working capital, capital expenditure and other cash requirements.

As at 31 December 2025, the Group's net current assets were approximately RM244.1 million (31 December 2024: approximately RM216.8 million). The Group's cash and cash equivalents as at 31 December 2025 were approximately RM31.7 million (31 December 2024: approximately RM54.4 million).

As at 31 December 2025, there were bank borrowings of approximately RM87.2 million bearing weighted average effective interest rate of approximately 3.62% per annum (31 December 2024: approximately RM50.9 million bearing weighted average effective interest rate of approximately 3.68% per annum).

As at 31 December 2025, the Group had a total available banking facilities of approximately RM152.8 million, of which approximately RM47.7 million was utilised and approximately RM105.1 million was unutilised and available for use.

GEARING RATIO

As at 31 December 2025, the gearing ratio of the Group, based on total interest-bearing borrowings and lease liabilities to total equity (including all capital and reserves) of the Group was approximately 32.8% (31 December 2024: approximately 21.6%). The increase in the gearing ratio was primarily attributable to the drawdown of a new term loan for the purchase of land.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed 905 full-time employees (31 December 2024: 909) in Malaysia. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance, qualifications, competence displayed and market comparable of each employee. The Group provides ample career development opportunities and training supports to new employees. During the Reporting Period, the Group has not experienced any significant problems with its employees save as those arising from ordinary course of business or disruption to the operations due to labour disputes, nor has the Group experienced any difficulties in the recruitment and retention of staff.

TREASURY POLICIES AND FOREIGN CURRENCY EXPOSURE

The Group is exposed to foreign currency risk which refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's transactions are mainly denominated in RM. Certain financial assets and liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk. As at 31 December 2025, the Group had outstanding foreign currency forward contract to sell approximately RM nil buy approximately Euro nil (31 December 2024: sell approximately RM0.5 million buy approximately Euro 0.1 million), sell approximately RM2.2 million buy approximately Australian dollars ("**AUD**") 0.8 million (31 December 2024: sell approximately RM2.4 million buy approximately AUD0.8 million) and sell approximately RM1.2 million buy approximately United Stated dollars ("**USD**") 0.3 million (31 December 2024: sell approximately RM1.9 million buy approximately USD0.5 million). The Group closely monitors the movement of the foreign currency rates and its foreign currency risks. The Group has not experienced any material difficulty or liquidity problems resulting from foreign exchange fluctuations during the Reporting Period.

PLEDGE OF ASSETS

As at 31 December 2025 and 2024, the (i) bank overdrafts and interest-bearing borrowings and (ii) lease liabilities of the Group are secured by certain assets of the Group.

CONTINGENT LIABILITIES

As at 31 December 2025 and 2024, the Group did not have any material contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period and up to the date of this announcement. As at 31 December 2025, there were no treasury shares (as defined under the Listing Rules) held by the Company.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

AUDIT COMMITTEE

The Board has established our Audit Committee on 14 July 2022 in compliance with the code provision of the Corporate Governance Code set out in Appendix C1 of the Listing Rules.

The Audit Committee consists of four Independent Non-executive Directors, namely Mr. Lee Teck Hoe, Datuk Tan Teow Choon, Mr. Lum Kan Fai and Ms. Saw Chooi Lee. Mr. Lee Teck Hoe is the chairman of the Audit Committee and he has professional qualifications and experience in accounting and financial management as stipulated in the Listing Rules.

The Audit Committee's terms of reference in writing was adopted by the Company pursuant to the Board Resolution passed on 14 July 2022. The terms of reference requires that the Audit Committee must hold meetings twice a year and the necessary quorum shall be at least two.

The main responsibilities of the Audit Committee include, but not limited to:

1. make recommendations to the Board on the appointment, reappointment, resignation, dismissal and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditor; review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process;

2. review of financial information of the Group, including changes in accounting policies and practice, major judgemental areas, going concern consideration, continuing connected transaction, compliance with accounting standards and listing rules in relation to financial reporting;

3. oversight of the Company's financial reporting system, including review of the adequacy of resources, qualifications and experience of accounting staff, and their training programmes and budget of the Company's accounting and financial reporting function;

4. review and monitor the effectiveness and adequacy of the Group's risk management and internal control measures, ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function; and

5. regularly report observations and make recommendations to the Board (if any).

The Audit Committee also acts as the Corporate Governance function of the Group, and is mainly responsible for:

- developing and reviewing the corporate governance policies and practices of the Company and making recommendations to the Board;

- reviewing and monitoring the training and continuous professional development of directors and senior management;

- reviewing and monitoring the policies and practices on compliance with legal and regulatory requirements;

- developing, reviewing and monitoring the code of conduct applicable to employees and directors; and

- reviewing the Company's compliance with the Corporate Governance Code set out in Appendix C1 of the Listing Rules and disclosure in the Corporate Governance Report.

INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

The Shares of the Company were listed on the Main Board of the Stock Exchange on the Listing Date. As at 31 December 2025, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Commission ("**SFO**")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and/or short positions in our Company

Director	Nature of Interest	Number of Shares Held	Percentage of Interest in the Company
Mr. Soon See Beng	Interest in controlled corporation[(2)]	723,000,000 (L)[(1)]	72.29%
Mr. Soon Chiew Ang	Interest in controlled corporation[(2)]	723,000,000 (L)[(1)]	72.29%
Mr. Soon See Long	Interest in controlled corporation[(2)]	723,000,000 (L)[(1)]	72.29%

Notes:

(1) The letter "L" denotes long position in the shares held.

(2) These shares are held by Soon Holdings Limited. The issued share capital of Soon Holdings Limited is owned as to 70%, 10%, 10%, and 10% by Mr. Soon See Beng, Mr. Soon Chiew Ang, Mr. Soon See Long and Ms. Soon Lee Shiang respectively, and therefore, each of Mr. Soon See Beng, Mr. Soon Chiew Ang, Mr. Soon See Long and Ms. Soon Lee Shiang are deemed to be interested in all the Shares registered in the name of Soon Holdings Limited in the Company under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, none of our Directors nor the chief executive of our Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, so far as Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares as recorded in the register required to be kept under section 336 of the SFO or which were required to be disclosed to our Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of Shares	Approximate percentage of shareholding
Soon Holdings Limited(2)	Beneficial Owner	723,000,000 (L)(1)	72.29%
Mr. Soon See Beng(2)	Interest in a controlled corporation	723,000,000 (L)(1)	72.29%
Mr. Soon Chiew Ang(2)	Interest in a controlled corporation	723,000,000 (L)(1)	72.29%
Mr. Soon See Long(2)	Interest in a controlled corporation	723,000,000 (L)(1)	72.29%
Mr. Soon Lee Shiang(2)	Interest in a controlled corporation	723,000,000 (L)(1)	72.29%
Ms. Ng Mee Lam(3)	Interest of spouse	723,000,000 (L)(1)	72.29%
Ms. Ng Kar Wei(4)	Interest of spouse	723,000,000 (L)(1)	72.29%
Ms. Yang Lixia(5)	Interest of spouse	723,000,000 (L)(1)	72.29%
Mr. Lim Tau Hong(6)	Interest of spouse	723,000,000 (L)(1)	72.29%
Mr. Tee Kian Heng	Beneficial Owner	51,115,000 (L)	5.11%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) These shares are held by Soon Holdings Limited. The issued share capital of Soon Holdings Limited is owned as to 70%, 10%, 10% and 10% by Mr. Soon See Beng, Mr. Soon Chiew Ang, Mr. Soon See Long and Ms. Soon Lee Shiang respectively, and therefore, each of Mr. Soon See Beng, Mr. Soon Chiew Ang, Mr. Soon See Long and Ms. Soon Lee Shiang are deemed to be interested in all the Shares registered in the name of Soon Holdings Limited in the Company under Part XV of the SFO.

(3) Ms. Ng Mee Lam is the spouse of Mr. Soon See Beng. Accordingly, Ms. Ng Mee Lam is deemed to be interested in all the Shares held by Mr. Soon See Beng under Part XV of the SFO.

(4) Ms. Ng Kar Wei is the spouse of Mr. Soon Chiew Ang. Accordingly, Ms. Ng Kar Wei is deemed to be interested in all the Shares held by Mr. Soon Chiew Ang under Part XV of the SFO.

(5) Ms. Yang Lixia is the spouse of Mr. Soon See Long. Accordingly, Ms. Yang Lixia is deemed to be interested in all the Shares held by Mr. Soon See Long under Part XV of the SFO.

(6) Mr. Lim Tau Hong is the spouse of Ms. Soon Lee Shiang. Accordingly, Mr. Lim Tau Hong is deemed to be interested in all the Shares held by Ms. Soon Lee Shiang under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, the Directors are not aware of any other person (other than Directors and chief executives of the Company) had a beneficial interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO or the underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE

Save for the deviation from code provision C.2.1 and C.6.1 of Part 2 of the Corporate Governance Code (the "**CG Code**"), the Company has complied with required standards as set out in the CG Code during the Reporting Period and up to the date of this announcement.

Pursuant to code provision C.2.1 of the CG Code, the roles of the chairperson and the chief executive officer should be separated and should not be performed by the same individual. Mr. Soon See Beng ("**Mr. Soon SB**") currently holds both positions. Mr. Soon SB has been the key leadership figure of the Group who has been primarily involved in the formulation of business strategies and determination of the overall direction of the Group. Taking into account the continuation of the implementation of the business plans, the Directors (including the Independent Non-executive Directors) consider Mr. Soon SB as the best candidate for both positions and the present arrangements are beneficial and in the interests of the Company and the shareholders as a whole. The balance of power and authority is ensured by the operation of the senior management and the Board of the Directors, which comprises experienced and high-calibre individuals. The Board currently comprises three Executive Directors (including Mr. Soon SB) and four Independent Non-executive Directors and therefore has a fairly strong independence element in its composition.

Pursuant to code provision C.6.1 of Part 2 of the CG Code, an issuer can engage an external service provider as its company secretary, provided that the issuer should disclose the identity of a person with sufficient seniority at the issuer whom the external provider can contact. Mr. Lau Wai Piu Patrick ("**Mr. Lau**") does not act as an individual employee of the Company, but as an external service provider in respect of the appointment of Mr. Lau as the company secretary of the Company. In this respect, the Company has nominated Mr. Soon SB as its contact point with Mr. Lau. While the Company is well aware of the importance of the company secretary in supporting the Board on governance matters, after having considered Mr. Lau's experience in acting as the company secretary of three other companies listed on the Stock Exchange, both the Company and Mr. Lau are of the view that there will be sufficient experience as well as time, resources and support for fulfilment of the company secretary requirements of the Company. In view of Mr. Lau's experience in company secretarial functions, the Directors believe that Mr. Lau has the appropriate company secretarial expertise for the purposes of Rule 8.17 of the Listing Rules.

DIVIDENDS

On 31 July 2025, the Board had declared the payment of a special dividend of HK$0.0135 per ordinary share of the Company, amounting to HK$13,502,025 (equivalent to approximately RM7,307,000) in total, which was fully paid on 10 September 2025 (2024: HK$13,502,025).

The Directors did not recommend payment of any final dividend for the year ended 31 December 2025 (2024: Nil).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), as set out in Appendix C3 to the Listing Rules, as its own code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry with all the Company's Directors, the Company has ascertained that all of its Directors have complied with the required standards set out in the Model Code throughout the Reporting Period.

POST BALANCE SHEET EVENT

There is no other material subsequent event after 31 December 2025 and up to the date of this annual results announcement.

REVIEW OF FINANCIAL INFORMATION

The Group's annual results for the year ended 31 December 2025, including the accounting principles and practices adopted, have been reviewed by the Audit Committee in conjunction with the Company's external auditor. The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary results announcement have been agreed by the Company's external auditor, Crowe Malaysia PLT ("**Crowe**"), to the amounts set out in the Group's audited consolidated financial statements for the year end/at 31 December 2025. The work performed by Crowe in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Crowe on this preliminary results announcement.

On behalf of the Board
Swang Chai Chuan Limited
Soon See Beng
Chairman and Chief Executive Officer

Hong Kong, 27 March 2026

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, Ms. Saw Chooi Lee and Mr. Lum Kan Fai.