Swang Chai Chuan Limited
雙 財 莊 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2321)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2026 (the "**Period**"):

- the Group (as defined hereinafter) recorded unaudited revenue of approximately RM530.7 million, representing an increase of approximately 13.45% as compared to approximately RM467.8 million for the six months ended 30 June 2025 (the "**Last Corresponding Period**");
- the Group recorded a profit for the period of approximately RM21.5 million in the Period, representing an increase of approximately 3.4% as compared to approximately RM20.8 million in the Last Corresponding Period;
- the Group recorded unaudited earnings per share attributable to owners of the Company of approximately 2.15 sen in the Period, as compared to approximately 2.08 sen in the Last Corresponding Period; and
- The Board (as defined hereinafter) does not recommend the payment of interim dividend.

The board (the "**Board**") of directors (the "**Director(s)**") of Swang Chai Chuan Limited (the "**Company**") presents the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025 as follows. The interim results have not been audited by the external auditor but they have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Note	**Six months ended 30 June** **2026** *RM'000* **(Unaudited)**	2025 *RM'000* (Unaudited)
Revenue	*4*	**530,708**	467,849
Cost of sales		**(460,013)**	(407,343)
Gross profit		**70,695**	60,506
Other income	*5*	**3,003**	6,410
Selling and distribution expenses		**(32,421)**	(27,393)
Administrative and other operating expenses		**(11,823)**	(11,159)
Finance costs	*6*	**(1,543)**	(1,032)
Share of results of an associate		**60**	34
Share of results of a joint venture		**(91)**	–
Profit before tax	*6*	**27,880**	27,366
Income tax expenses	*7*	**(6,371)**	(6,568)
Profit for the period		**21,509**	20,798
Other comprehensive income/(loss):			
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company's financial statements to presentation currency		**612**	(3,833)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on consolidation		**(569)**	281
Total comprehensive income for the period		**21,552**	17,246
Earnings per share attributable to owners of the Company			
Basic and diluted	*8*	**2.15 sen**	2.08 sen

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2026

	Note	At 30 June 2026 RM'000 (Unaudited)	At 31 December 2025 RM'000 (Audited)
Non-current assets			
Property, plant and equipment		**65,737**	60,764
Right-of-use assets		**14,541**	13,636
Investment in an associate		**157**	97
Investment in a joint venture		**4,929**	–
Deferred tax assets		**829**	829
		86,193	75,326
Current assets			
Inventories		**142,046**	93,418
Trade and other receivables	*10*	**198,894**	167,869
Fixed deposits with licensed banks		**53,896**	77,890
Income tax recoverable		**–**	994
Bank balances and cash		**57,753**	31,734
		452,589	371,905
Current liabilities			
Trade and other payables	*11*	**148,538**	83,367
Interest-bearing borrowings		**49,142**	43,507
Income tax payable		**1,408**	–
Lease liabilities		**970**	964
		200,058	127,838
Net current assets		**252,531**	244,067
Total assets less current liabilities		**338,724**	319,393

	Note	At 30 June 2026 RM'000 (Unaudited)	At 31 December 2025 RM'000 (Audited)
Non-current liabilities			
Interest-bearing borrowings		**40,330**	43,646
Lease liabilities		**2,717**	1,622
Deferred tax liabilities		**445**	445
		43,492	45,713
NET ASSETS		**295,232**	273,680
Capital and reserves			
Share capital	*12*	**5,707**	5,707
Reserves		**289,525**	267,973
TOTAL EQUITY		**295,232**	273,680

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 of the Company 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.

The condensed consolidated financial statements (the "**Interim Financial Statement**") of the Group for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standard Board (the "**IASB**") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of the Interim Financial Statements in conformity with IAS 34 requires the Group's management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and financial performance of the Group since 31 December 2025, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the IFRS Accounting Standards issued by the IASB, which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. They shall be read in conjunction with the Group's audited financial statements for the year ended 31 December 2025 (the "**Annual Report**").

The Interim Financial Statements have been prepared on the historical costs basis, it is presented in Malaysian Ringgit ("**RM**") and rounded to the nearest thousands unless otherwise indicated.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in preparing the Annual Report except for the adoption of the new/revised IFRSs which are relevant to the Group and effective for the Group's financial year beginning on 1 January 2026.

Adoption of new/revised IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by the IASB, which are mandatorily effective for the Group's annual reporting period beginning on 1 January 2026:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to IFRS	Volume 11

The application of the above amendments has had no material impact on the amounts recognised or disclosures presented in these Interim Financial Statements.

At the date of authorisation of the Interim Financial Statements, the Group has not early adopted other new/revised IFRS Accounting Standards that have been issued but are not yet effective. The directors of the Company do not anticipate that the adoption of the new/revised IFRS Accounting Standards in future periods will have any material impact on the financial position, financial performance and cash flows of the Group.

3. SEGMENT INFORMATION

The directors of the Company have determined that the Group has only one operating and reportable segment throughout the periods, 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 reporting periods derived from Malaysia and almost all of the Group's assets 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 six months ended 30 June 2026 and 2025.

4. REVENUE

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within IFRS 15		
At a point in time		
Distribution and sales of F&B	**525,026**	462,543
Over time		
Provision of logistics, warehousing and other services	**5,682**	5,306
	530,708	467,849

The amount of revenue recognised for the six months ended 30 June 2026 that was included in the contract liabilities in relation to marketing incentives at the beginning of the reporting period was approximately RM3,112,000 (six months ended 30 June 2025: RM5,781,000) *(Note 11(b))*.

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Interest income	**1,455**	1,168
Gain on disposal of property, plant and equipment, net	**21**	–*
Exchange gain, net	**842**	4,752
Rental income	**138**	138
Bad debts recovery	**69**	46
Sundry income	**478**	306
	3,003	6,410

* Represents amount less than RM1,000

6. PROFIT BEFORE TAX

This is stated after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Finance costs		
Interest on interest-bearing borrowings	**1,455**	964
Interest on lease liabilities	**88**	68
	1,543	1,032
Staff costs (including directors' emoluments)		
Salaries, discretionary bonus, allowances and other benefits in kind	**22,869**	21,021
Contributions to defined contribution plans	**1,561**	1,449
	24,430	22,470
Other items		
Cost of inventories	**452,618**	400,721
Auditors' remuneration	**351**	50
Depreciation of property, plant and equipment (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	**2,623**	2,750
Depreciation of right-of-use assets (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	**893**	423
Expenses recognised under short-term leases	**90**	41
Bad debts written off	**66**	43

7. TAXATION

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Current tax		
Malaysia corporate income tax ("**Malaysia CIT**")	**6,371**	6,568

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 six months ended 30 June 2026 and 2025.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax therein.

Malaysia CIT is calculated at 24% of the estimated assessable profits for the six months ended 30 June 2026 and 2025.

For the six months ended 30 June 2026 and 2025, 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.

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:

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company, used in basic and diluted earnings per share calculation	**21,509**	20,798
	'000	*'000*
Number of shares:		
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 of ordinary shares in issue during the period.

Diluted earnings per share are same as the basic earnings per share as there are no potential dilutive ordinary shares in existence for the six months ended 30 June 2026 and 2025.

9. DIVIDENDS

On 27 July 2026, 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 12 August 2026. The dividend payables will be fully settled on 3 September 2026 by cash.

In the corresponding period, 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.

10. TRADE AND OTHER RECEIVABLES

	Note	**At 30 June 2026 *RM'000* (Unaudited)**	At 31 December 2025 *RM'000* (Audited)
Trade receivables			
From related parties	*10(a)*	**93**	1,296
From third parties		**162,190**	129,646
		162,283	130,942
Less: Loss allowances		**(4,841)**	(4,841)
	10(b)	**157,442**	126,101
Other receivables			
Deposits paid to suppliers		**2,329**	1,863
Deposit paid for acquisition of land		**28,259**	28,206
Prepayment		**70**	282
Accrued income		**9,340**	8,648
Interest receivable		**–**	1,320
Other deposits and receivables		**54**	49
Amount due from an associate *(Note i)*		**1,400**	1,400
		41,452	41,768
		198,894	167,869

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 represented amounts due from companies interested by the Ultimate Controlling Party and/or the spouses of the Ultimate Controlling Party. The trade receivables from related companies 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 amount due during the reporting periods. The Group does not hold any collateral over these balances.

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:

	At 30 June 2026 *RM'000* **(Unaudited)**	At 31 December 2025 *RM'000* (Audited)
Within 30 days	**87,898**	69,612
31 to 60 days	**48,120**	41,497
61 to 90 days	**14,703**	12,809
Over 90 days	**6,721**	2,183
	157,442	126,101

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

	At 30 June 2026 *RM'000* **(Unaudited)**	At 31 December 2025 *RM'000* (Audited)
Not yet past due	**131,873**	109,061
Past due:		
Within 30 days	**20,417**	9,879
31 to 60 days	**2,231**	6,592
61 to 90 days	**2,921**	569
	25,569	17,040
	157,442	126,101

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

11. TRADE AND OTHER PAYABLES

	Note	At 30 June 2026 RM'000 (Unaudited)	At 31 December 2025 RM'000 (Audited)
Trade payables			
To third parties		**120,212**	62,601
To an associate		**35**	19
	11(a)	**120,247**	62,620
Other payables			
Contract liabilities – marketing incentives	*11(b)*	**6,868**	5,044
Contract liabilities – receipts in advance	*11(c)*	**4,962**	2,026
Salary payables		**6,886**	4,249
Other accruals and other payables		**9,329**	9,222
Rental and other deposits		**246**	206
		28,291	20,747
		148,538	83,367

11(a) Trade payables

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

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

	At 30 June 2026 RM'000 (Unaudited)	At 31 December 2025 RM'000 (Audited)
Within 30 days	**65,890**	26,950
31 to 60 days	**46,006**	24,110
61 to 90 days	**7,178**	11,318
Over 90 days	**1,173**	242
	120,247	62,620

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:

	At 30 June 2026 ***RM'000*** **(Unaudited)**	At 31 December 2025 *RM'000* (Audited)
At the beginning of the reporting period	**5,044**	6,447
Additions, net	**4,936**	4,972
Revenue recognised for the reporting period *(Note 4)*	**(3,112)**	(6,375)
At the end of the reporting period	**6,868**	5,044

The contract liabilities of approximately RM6,868,000 at 30 June 2026 (31 December 2025: RM5,044,000), 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 RM4,936,000 at 30 June 2026 (31 December 2025: RM5,044,000), 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:

	At 30 June 2026 ***RM'000*** **(Unaudited)**	At 31 December 2025 *RM'000* (Audited)
At the beginning of the reporting period	**2,026**	–
Additions	**4,962**	2,026
Revenue recognised for the reporting period	**(2,026)**	–
At the end of the reporting period	**4,962**	2,026

The contract liabilities of approximately RM4,962,000 at 30 June 2026 (31 December 2025: approximately RM2,026,000), 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 RM4,962,000 at 30 June 2026 (31 December 2025: approximately RM2,026,000), 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 *'000*	*HK$'000*	Equivalent to approximately *RM'000*
Ordinary share of HK$0.01 each			
Authorised:			
At 1 January 2025, 31 December 2025, **1 January 2026 and 30 June 2026**	1,500,000	15,000	8,474
Issued and fully paid:			
At 1 January 2025, 31 December 2025, **1 January 2026 and 30 June 2026**	1,000,150	10,002	5,707

13. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the Interim Financial Statement, further information of the related party transactions for the reporting periods is set out below.

13(a) Related party transactions of the Group:

		Six months ended 30 June	
		2026	2025
		RM'000	*RM'000*
	Note	**(Unaudited)**	(Unaudited)
Revenue arising from distribution and sales of F&B	*13(a)(i)*	**5,854**	5,734
Sales and marketing expenses	*13(a)(i)*	**23**	10

Note:

(i) It represented related party transactions with the companies interested by the Ultimate Controlling Party and/or the spouses of the Ultimate Controlling Party.

13(b) Remuneration for key management personnel (including directors) of the Group:

	Six months ended 30 June	
	2026	2025
	RM'000	*RM'000*
	(Unaudited)	(Unaudited)
Salaries, discretionary bonus, allowances and other benefits in kind	**2,621**	2,710
Contributions to defined contribution plans	**458**	416
	3,079	3,126

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY BACKGROUND

Swang Chai Chuan Limited (the "**Company**") together with its subsidiaries (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 products, cleaning and kitchen supplies, and tobacco products. 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 can enhance consumers' experience.

BUSINESS REVIEW AND PROSPECTS

As at 30 June 2026, 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 is in the midst of constructing a new warehouse, which is expected to be completed in the second half of 2026. Furthermore, the Group owns a fleet of 208 self-operated logistics vehicles, enabling the Group to enhance its quality of delivery and distribution services to a higher level.

Looking forward, we will continue to utilise our existing industry knowledge to expand our core strengths and target to explore more business opportunities, and also exercise careful cost control measures under high inflation business environment to enhance profit margin and maintain competitiveness.

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 six months ended 30 June 2026 (the "**Period**"), the Group's revenue improved significantly by approximately Malaysian Ringgit ("**RM**") 62.9 million or 13.44% from approximately RM467.8 million in the six months ended 30 June 2025 (the "**Last Corresponding Period**") to approximately RM530.7 million in the Period, mainly due to the improved of distribution revenue from third party brands amounting of approximately RM53.5 million as well as own brand product of approximately RM9.3 million. The increase in revenue from third party brands is mainly attributed to sauce, oil and condiments, packaged food and commodities as well as tobacco products with increase of approximately RM43.5 million. The increase in revenue from own brand product is mainly attributed to quality health products and frozen food with increase of approximately RM9.2 million.

Gross profit and gross profit margin

Gross profit rose to approximately RM70.7 million with margin improving to approximately 13.3% (2025: approximately 12.9%). The improvement was mainly due to increase sales of higher margin products, particularly own branded products and overall cost efficiencies achieved through prudent management controls.

Other income

Other income mainly consists of interest income, exchange gain, sundry income, and others. Other income decreased by approximately RM3.4 million or 53.2%, from approximately RM6.4 million in the Last Corresponding Period to approximately RM3.0 million in the Period, mainly due to foreign exchange gain in 2025 resulting from strengthening of RM against USD and HKD, while in 2026 the currency is much stable.

Selling and distribution expenses

Selling and distribution expenses primarily comprise of (i) staff cost, (ii) transportation expenses, (iii) vehicle maintenance expenses, (iv) travelling expenses, (v) marketing and advertising expenses, and (vi) others. Selling and distribution expenses increased by approximately RM5.0 million or 18.4%, from approximately RM27.4 million in the Last Corresponding Period to approximately RM32.4 million in the Period which was mainly due to the increase in sales and marketing expenses due to additional marketing initiatives conducted, which contributed to the improved of revenue from own brand products.

Administrative and other operating expenses

Administrative and other operating expenses primarily comprise of i) staff costs which include Directors' remuneration, ii) utility expenses, iii) depreciation, iv) professional fees, and v) others. Administrative and other operating expenses increased slightly by approximately RM0.7 million or 5.9%, from approximately RM11.2 million in the Last Corresponding Period to approximately RM11.8 million in the Period primarily due to yearly revision of staff's salaries.

Finance costs

Finance costs mainly represent interest on interest-bearing borrowings and interest on lease liabilities. The Group's finance costs increased by approximately RM0.5 million or 49.5% from approximately RM1.0 million in the Last Corresponding Period to approximately RM1.5 million in the 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 and deferred income 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 arising in or derived from Hong Kong and the group entities established in the Cayman Islands and the British Virgin Islands are exempted from corporate income tax therein. Income tax expenses for the Period decreased by approximately RM0.2 million or 3.0% to approximately RM6.4 million from approximately RM6.6 million in the Last Corresponding Period. The decrease in income tax expenses was mainly due to overprovision of tax in June 2025.

Profit for the period and net profit margin

As a result of the foregoing, the Group recorded a profit for the period of approximately RM21.5 million in the Period and approximately RM20.8 million in the Last Corresponding Period. The net profit margin of the Group decrease to approximately 4.1% in the Period from approximately 4.4% in the Last Corresponding Period, mainly due to the decrease in other income 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(s)**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Group intends to apply the proceeds from the issuance of 241,000,000 Shares at the offer price of Hong Kong dollars ("**HK$**") 0.56 per Share (the "**Global Offering**") in accordance with the proposed applications 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 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:

Business Objectives	Planned use of net proceeds	Balance of unutilised proceeds as at 31 December 2023	Actual use of proceeds from 1 January 2024 to 10 December 2024	Actual use of proceeds as at 10 December 2024	Balance of unutilised proceeds as at 10 December 2024
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*
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 30 June 2026 are as per followings:

	Revised planned use of net proceeds *HK$ million*	Balance of unutilised proceeds as at 31 December 2025 *HK$ million*	Actual use of proceeds from 1 January 2026 to 30 June 2026 *HK$ million*	Actual use of proceeds as at 30 June 2026 *HK$ million*	Balance unutilised proceeds as at 30 June 2026 *HK$ million*	Expected timeline for unutilised proceeds
Further enhancement to distribution and sales capabilities	72.2	38.7	15.5	49.0	23.2	31 December 2026
Development in own products business	19.0	7.3	3.9	15.6	3.4	31 December 2026
	91.2	46.0	19.4	64.6	26.6	

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 of the Company (the "**Shareholders**").

As at 30 June 2026, the net proceeds of approximately HK$26.6 million had not been utilised as planned (the "**Unutilised Net Proceeds**"), but is expected to be utilised during 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 Global Offering in August 2022, the net proceeds from the Global Offering 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 30 June 2026, the Group's net current assets were approximately RM252.5 million (31 December 2025: approximately RM244.1 million). The Group's cash and cash equivalents as at 30 June 2026 were approximately RM57.8 million (31 December 2025: approximately RM31.7 million).

As at 30 June 2026, there were bank borrowings of approximately RM89.5 million bearing weighted average effective interest rate of approximately 3.61% per annum (31 December 2025: approximately RM87.2 million bearing weighted average effective interest rate of approximately 3.62% per annum).

As at 30 June 2026, the Group had total available banking facilities of approximately RM152.8 million, of which approximately RM53.4 million was utilised and approximately RM99.4 million was unutilised and available for use.

GEARING RATIO

As at 30 June 2026, 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 Company was approximately 31.6% (31 December 2025: approximately 32.8%). The decrease in gearing ratio is primarily attributable to the net effect of increase in equity base.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group employed 980 full-time employees 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 Period, the Group has not experienced any significant problems with its employees or material disruption to the operations due to labour disputes, nor has the Group experienced any material 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 30 June 2026, the Group had outstanding foreign currency forward contract to sell approximately RM4.1 million buy approximately Australian dollars ("**AUD**") 1.5 million (31 December 2025: sell approximately RM2.2 million buy approximately AUD0.8 million), and sell approximately RM0.8 million buy approximately United States dollars ("**USD**") 0.2 million (31 December 2025: sell approximately RM1.2 million buy approximately USD0.3 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.

PLEDGE OF ASSETS

As at 30 June 2026, the (i) interest-bearing borrowings and (ii) lease liabilities of the Group are secured by certain assets of the Group.

CONTINGENT LIABILITIES

As at 30 June 2026, 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 Period. As at 30 June 2026, there were no treasury shares (as defined under the Rules Governing the Listing (the "**Listing Rules**") of Securities on the Stock Exchange) held by the Company.

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

Save as disclosed in this announcement and the announcement of the Company dated 5 May 2026, the Group did not have any significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group had no specific plan for material commitments or capital assets as at 30 June 2026.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted the Model Code as rules governing dealings by the directors of the Company (the "**Directors**") in the listed securities of the Company on the Listing Date. Based on the specific enquiry with the Directors, all the Directors has complied with the required standards as set out in the Model Code during the Period.

CORPORATE GOVERNANCE

Save for the deviation from code provisions C.1.5, C.2.1 and C.6.1 of Part 2 of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Listing Rules, the Company has complied with required standards as set out in the CG Code during the Period.

Pursuant to code provision C.1.5 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of Shareholders. Our independent non-executive Director, Datuk Tan Teow Choon was unable to attend the extraordinary general meeting of the Company held on 2 January 2026 due to other commitments.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Soon See Beng ("**Mr. Soon**") currently holds both positions. Mr. Soon 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 our business plans, the Directors (including the independent non-executive Directors) consider Mr. Soon as the best candidate for both positions and the present arrangements are beneficial and in the interests of the Company and its 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) 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 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 experience in acting as the company secretary of two 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 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.

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 for the purpose of reviewing and supervising the Group's financial reporting process.

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.

REVIEW OF THE INTERIM RESULTS

The Audit Committee had reviewed the unaudited consolidated results of the Group for the Period and discussed with the management of the Company on the accounting principles and practices adopted by the Group as well as internal controls and other financial reporting matters.

INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

The Shares were listed on the Main Board of the Stock Exchange on the Listing Date. As at 30 June 2026, 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 Futures Ordinance (Chapter 571, Laws of Hong Kong) ("**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	Approximate Percentage of Interest in the Company
Mr. Soon See Beng	Interest in a controlled corporation(2)	723,000,000 (L)(1)	72.29%
Mr. Soon Chiew Ang	Interest in a controlled corporation(2)	723,000,000 (L)(1)	72.29%
Mr. Soon See Long	Interest in a 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 30 June 2026, 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.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, so far as our Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 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%
Ms. 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)(1)	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 30 June 2026, the Directors are not aware of any other person 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.

SHARE SCHEME

The Company has conditionally adopted a share option scheme upon the passing of the written resolutions of the shareholder on 14 July 2022 (the "**Share Option Scheme**"). Pursuant to the Share Option Scheme, the Directors may grant options to eligible participants to subscribe for the Shares subject to the terms and conditions stipulated therein. Upon the listing of the Shares on the Stock Exchange on the Listing Date, all conditions set forth have been satisfied. The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Listing Date.

No share option has been granted under the Share Option Scheme since its adoption, and there is no outstanding share option at 30 June 2026 and at the date of this announcement.

Save for this Share Option Scheme, the Company has not adopted any other share scheme.

INTERIM DIVIDEND

The Directors do not recommend payment of an interim dividend to Shareholders for the Period.

IMPORTANT EVENTS AFTER THE REVIEW PERIOD

On 27 July 2026, the Board announced that it had resolved to declare the payment of a special dividend of HK$0.0086 per ordinary share of the Company, amounting to approximately HK$8,601,290 (equivalent to approximately RM4,482,000) in total. The special dividend will be fully settled on Thursday, 3 September 2026 in cash to the Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 12 August 2026.

Save as disclosed above, there are no material subsequent events undertaken by the Company or by the Group after 30 June 2026 and up to the date of this announcement.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE AND THE COMPANY

The interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.sccgroup.com.my). The interim report for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be despatched to the Shareholders and made available on the above websites in due course.

By order of the Board
Swang Chai Chuan Limited
Soon See Beng
Chairman and Chief Executive Officer

Hong Kong, 27 August 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, Mr. Lum Kan Fai and Ms. Saw Chooi Lee.