BASETROPHY GROUP HOLDINGS LIMITED
基地錦標集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8460)

SUPPLEMENTAL ANNOUNCEMENT TO THE 2024 ANNUAL REPORT IN RELATION TO THE USE OF PROCEEDS FROM RIGHTS ISSUE

Reference is made to (i) the prospectus of Basetrophy Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 6 June 2024 (the "**Prospectus**"); (ii) the Company's announcement dated 26 June 2024 in relation to the rights issue (the "**Rights Issue**"); (iii) and the Company's announcement dated 11 July 2024 in relation to the results of the Rights Issue (the "**Results Announcement**"); and (iv) the annual report (the "**2024 Annual Report**") of the Company for the year ended 31 December 2024. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

The Board of Directors (the "**Board**") of the Company wishes to provide supplemental information regarding the actual use of the net proceeds raised from the Rights Issue, the change in the intended use of the net proceeds during the financial year ended 31 December 2024 and the reasons for the delay in making the relevant disclosures in the 2024 Annual Report.

ORIGINAL PROPORTIONAL ALLOCATION OF NET PROCEEDS

As disclosed in the Results Announcement, the gross and net proceeds raised from the Rights Issue (including the Compensatory Arrangements) were approximately HK$12.8 million and HK$10.4 million, respectively.

As the actual net proceeds of approximately HK$10.4 million were lower than the previously maximum expected net proceeds of approximately HK$39.0 million based on full subscription, the actual net proceeds were allocated proportionately among the purposes set out in the Prospectus.

Accordingly, the original proportional allocation of the actual net proceeds of approximately HK$10.4 million was as follows:

i. approximately HK$6.95 million, representing approximately 66.8% of the actual net proceeds, was originally allocated for the development of the Group's liquor supply chain and new food retail business in the PRC; and

ii. approximately HK$3.45 million, representing approximately 33.2% of the actual net proceeds, was originally allocated for the general working capital of the Group.

CHANGE IN USE OF PROCEEDS

Having considered the Group's prevailing operating environment, business development and funding requirements, the Board determined during the financial year ended 31 December 2024 that the original allocation of the net proceeds should be revised.

Under the revised allocation:

i. approximately HK$2.08 million, representing approximately 20.0% of the net proceeds, was applied to the Group's foundation and site formation business operated by Workbase Engineering Limited, a principal operating subsidiary of the Company (the "**Workbase Business**"); and

ii. approximately HK$8.32 million, representing approximately 80.0% of the net proceeds, was applied as general working capital of the Group, including administrative and operating expenses.

The revised allocation was made to better align the use of the net proceeds with the Group's prevailing business operations and funding requirements.

As at 31 December 2024, the net proceeds of approximately HK$10.4 million were fully utilised, and no proceeds remained unutilised.

The following table sets out the original proportional allocation, the revised allocation and the actual utilisation of the net proceeds as at 31 December 2024:

Intended Use/ Business Category	**Original Proportional Allocation** *(% of Net Proceeds)*	**Original Proportional Allocation** *(HK$ Million)*	**Revised Allocation** *(% of Net Proceeds)*	**Revised Allocation** *(HK$ Million)*	**Amount Utilised as at 31 December 2024** *(HK$ Million)*	**Remaining Balance as at 31 December 2024** *(HK$ Million)*
Development of Liquor Supply Chain & New Food Retail	66.8%	6.95	0.0%	0.00	0.00	0.00
Foundation & Site Formation Works (Workbase Business)	0.0%	0.00	20.0%	2.08	2.08	0.00
General Working Capital and Corporate Overheads	33.2%	3.45	80.0%	8.32	8.32	0.00
Total Net Proceeds:	100.0%	10.40	100.0%	10.40	10.40	0.00

The Company confirms that the above revised allocation reflects the actual application of the net proceeds as at 31 December 2024.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

The actual net proceeds raised from the Rights Issue of approximately HK$10.4 million were substantially lower than the previously maximum expected net proceeds of approximately HK$39.0 million based on full subscription.

Having regard to the lower-than-expected amount of proceeds available and the Group's prevailing business and funding requirements, the Board considered that the original allocation towards the development of the liquor supply chain and new food retail business would not be sufficient to support the development of such business at the scale originally contemplated.

The Board therefore considered it appropriate to reallocate the proceeds to the Group's existing foundation and site formation business and general working capital requirements.

The allocation of approximately HK$2.08 million to the Workbase Business was used to support its ongoing foundation and site formation projects, including project-related material procurement and site expenditures.

The remaining approximately HK$8.32 million was applied towards the Group's general working capital requirements, including administrative, legal and professional, audit, accounting, company secretarial and other operating expenses.

The Board considers that the revised allocation enabled the Group to deploy the limited proceeds towards its existing operating and funding needs and was in the interests of the Group and its shareholders as a whole.

EXPLANATION FOR THE DELAY IN DISCLOSURE OF THE USE OF PROCEEDS

The Company acknowledges that the actual application of the net proceeds and the relevant change in the intended use of proceeds, both of which occurred in 2024, were not fully disclosed in a timely manner in the 2024 Annual Report.

The delay was due to an inadvertent oversight in the coordination and preparation of the relevant continuing disclosure information. In particular, the relevant information concerning the application and utilisation of the proceeds in 2024 was not appropriately captured and reflected in the 2024 Annual Report disclosure process after the proceeds had been fully utilised.

The Company recognises that the disclosure obligations under Rule 18.32(8) of the GEM Listing Rules apply to the use of proceeds and relevant changes in their intended use, including where the proceeds have been fully utilised during the relevant financial year. The Company acknowledges that the relevant disclosures should have been made in respect of the utilisation of the proceeds in the 2024 Annual Report.

The Company sincerely regrets the delay in making the relevant disclosures.

REMEDIAL MEASURES

To prevent the recurrence of similar disclosure oversights, the Company has implemented and will further strengthen the following measures:

i. the Company will maintain a dedicated schedule to monitor the use of proceeds from fund-raising activities, including the original intended use, actual utilisation, remaining balance and any proposed change in use;

ii. any proposed change in the use of proceeds will be subject to appropriate internal review and approval before implementation;

iii. the finance, company secretarial and relevant business functions will enhance their coordination in preparing the annual report disclosures relating to the use of proceeds; and

iv. the Company will arrange appropriate training and briefing for Directors, senior finance personnel, company secretarial staff and relevant administrative personnel on the continuing disclosure requirements under Chapter 18 of the GEM Listing Rules.

This announcement is supplemental to and should be read in conjunction with the 2024 Annual Report. Save as disclosed above, all other information contained in the 2024 Annual Report remains unchanged.

By order of the Board
Basetrophy Group Holdings Limited
Chan Kui Ming
Co-chairman and Executive Director

Hong Kong, 2 September 2026

As at the date of this announcement, the executive Directors are Mr. Chan Kui Ming, Mr. Chen Ping, Mr. Lu Jun, Ms. Wu Yu and Mr. Zhong Guoke; and the independent non-executive Directors are Mr. Lam Chee-yau Timothy, Mr. Li Dewen and Mr. Ng Ki Man.