

DATED THIS

DAY OF **10 JUL 2026**

2026

BETWEEN

KIEN HENG HONG GINSENG SDN. BHD.
(Registration No.: 198801002646 (170003-P))
("VENDOR")

AND

TARGET PRECAST INDUSTRIES SDN. BHD.
(Registration No.: 199301004014 (258751-X))
("PURCHASER")

SALE AND PURCHASE AGREEMENT

PURCHASER'S SOLICITORS

dlt DAVID LAI & TAN

Advocates & Solicitors
(Ref No.: TYB.064.2026)
Level 9, Wisma Miramas,
No. 1, Jalan 2/109E,
Taman Desa,
Jalan Klang Lama,
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VENDOR'S SOLICITORS

LAWRENCE HISHAM & CO
Advocates & Solicitors

(Ref No.: L/SPA/KIEN HENG HONG GINSENG
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Unit A-12-15, 12th Floor,
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No. 5, Jalan Bangsar Utama 1,
59100 Kuala Lumpur.
Tel: 03-22828608
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SALE AND PURCHASE AGREEMENT

THIS AGREEMENT is made the day of **10 JUL 2026** 2026

BETWEEN

KIEN HENG HONG GINSENG SDN BHD (Registration No.: 198801002646 (170003-P)), a company incorporated in Malaysia and having its registered address at No. 60-1, Jalan Kuchai Maju 13, Kuchai Entrepreneurs Park, Off Jalan Kuchai Lama, 58200, Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur and business address at 43, Jalan Jalak, Taman Seri Bahtera, Jalan Cheras, 56100, Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur (hereinafter referred to as **"the Vendor"**) of the one part;

AND

TARGET PRECAST INDUSTRIES SDN BHD (Registration No.: 199301004014 (258751-X)), a company incorporated in Malaysia and having its registered address at Level 13 Boutique Office 3, B03-D-13, Menara 3A (Pillar 7), KL Eco City, No. 3, Jalan Bangsar, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur and business address at 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan (hereinafter referred to as **"the Purchaser"**) of the other part.

(The Vendor and the Purchaser shall hereinafter collectively be referred to as the **"Parties"**, individually as the **"Party"**).

WHEREAS:-

A. The Vendor is the registered, legal, and beneficial proprietor of all that piece of freehold land held under Geran Mukim 1034, Lot 1894, Tempat Batu 12, Jalan Sungai Besi Cheras, Mukim Cheras, Daerah Ulu Langat, Negeri Selangor (hereinafter referred to as the **"Title"**) measuring approximately 8093.7 square meter in area and bearing postal address of 1894, Jalan Kpb 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor (hereinafter referred to as the **"Property"**).

B. As of the date of this Agreement, the Property is currently subject to the following category of land use, express condition and restriction in interest: -

- (i) Category of land use : *Industri*
- (ii) Express condition : *Bangunan Perusahaan*
- (iii) Restriction in Interest : *Nil*

- C. The Property is free from all encumbrances, caveats, charges, liens whatsoever, save for the private caveat and the charges in the Property (hereinafter be referred to as the **"Vendor's Financier's Charges"**): -
- (a) caveat registered in favour of Public Bank Berhad (Company No. 6463-H) on 20 April 2010 vide presentation number 061B2349/2010 (**"Private Caveat"**);
 - (b) charge registered in favour of Public Bank Berhad (Company No. 6463-H) on 23 June 2010 vide Presentation Number 061SC7449/2010;
 - (c) charge registered in favour of Public Islamic Bank Berhad (Company No. 14328-V) on 7 October 2019 vide presentation number 061SC6674/2019; and
 - (d) charge registered in favour of Public Islamic Bank Berhad (Company No. 14328-V) on 7 October 2019 vide presentation number 061SC6673/2019.

For the purpose of clarification and for the avoidance of doubt, Public Bank Berhad and Public Islamic Bank Berhad shall hereinafter be collectively referred to as the **"Vendor's Financier"**.

- D. (1) By a Tenancy Agreement dated the 21st January 2026 (hereinafter referred to as **"the Tenancy Agreement"**) entered into between the Vendor and the Purchaser, the Vendor has agreed to let all that piece of vacant land held under the Title (hereinafter referred to as **"the Demised Land"**) commencing on 1st February 2026 and expiring on 31st January 2027 at a monthly rental of Ringgit Malaysia Forty-Eight Thousand Five Hundred (RM48,500.00) only. A copy of the aforesaid Tenancy Agreement dated 21st January 2026 is annexed hereto and marked as Annexure "A".
- (2) Pursuant to the Special Express Condition as stipulated in the Second Schedule of the Tenancy Agreement, the Vendor has provided their consent to the Purchaser for the construction of any building or installation works with such materials and in accordance with such designs as shall be approved by the Vendor and the Purchaser shall at its own cost and expense obtain all such necessary planning and other consents or approvals pursuant to the provisions of any written law, bye-laws, rules regulations or order applicable thereto.
- (3) In view of Recital D(2) above, as the said building was constructed and/or erected by the Purchaser, the up keep of the building erected on the Property shall be sole responsibility of the Purchaser.

- E. The Vendor has agreed to sell and the Purchaser has agreed to purchase from the Vendor the Property on an "as is where is" basis as at the date of inspection (hereinafter be referred to as the "**Date of Inspection**"), free from all caveats, liens, charges, encumbrances and with legal possession subject to the conditions express or implied and affecting the Title to the Property for the consideration and upon the terms and conditions hereinafter contained and set forth.
- F. The Purchaser may be applying for a loan (hereinafter referred to as the "**Loan**") from a bank or other licensed financial institution (hereinafter referred to as the "**Purchaser's Financier**") to assist them in the purchase of the Property.
- G. The Vendor is represented by Messrs. Lawrence Hisham & Co. Advocates & Solicitors, of Unit A-12-15, 12th Floor, Menara U.O.A Bangsar, No. 5, Jalan Bangsar Utama 1, 59100 Kuala Lumpur (hereinafter referred to as the "**Vendor's Solicitors**") and the Purchaser is represented by Messrs David Lai & Tan, Advocates & Solicitors, of Level 9, Wisma Miramas, No. 1, Jalan 2/109E, Taman Desa, Jalan Klang Lama, 58100 Kuala Lumpur (hereinafter referred to as the "**Purchaser's Solicitors**").

NOW THIS AGREEMENT WITNESSETH as follows: -

1. INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires: -

- (i) words denoting any gender include all genders;
- (ii) words denoting the whole include any part;
- (iii) words denoting the singular number only include the plural and vice versa;
- (iv) an event or the doing of any act or thing shall be deemed to be exclusive of the day on which the event happens or the act or thing is done and if the last day of the period is a Saturday, Sunday or a public holiday declared and/or gazetted in Kuala Lumpur and/or Selangor Darul Ehsan (hereinafter referred to as the "**Excluded Day**") the day shall include the day next following which is not an excluded day;
- (v) the headings and sub-headings are inserted for convenience only and shall be ignored in construing the provisions of this Agreement;
- (vi) reference to Section is to a Section of this Agreement;

- (vii) reference to any person or body includes a reference to any person or body for the time being deriving title under such person or body;
- (viii) reference to any instrument or document includes a reference to the same as from time to time varied in any manner or respect whatsoever and any other instrument or document from time to time issued or executed supplemental thereto, in addition thereto or in substitution therefor;
- (ix) reference to any statute or statutory provision includes a reference to:-
 - (a) that statute or statutory provision;
 - (b) all statutory instruments or orders made pursuant to it; as from time to time amended, extended, re-enacted or consolidated;
- (x) reference to any person include legal and natural person;
- (xi) working days or business days shall mean a period of days which is not a weekly holiday (ie. Saturday and Sunday) or a public holiday in Kuala Lumpur and/or Selangor Darul Ehsan;
- (xii) where there are two (2) or more persons included or comprised in the expression "the Vendor" and/or "the Purchaser" the agreements covenants stipulations and undertakings expressed to be made by and on the part of the Vendor and/or the Purchaser shall be deemed to be made by or binding upon such persons jointly and severally; and
- (xiii) unless prohibited by law, no rule of construction applies to the disadvantage of one party merely because that party was responsible for the preparation of this Agreement.

2. CONSIDERATION

- 2.1 The consideration to be paid by the Purchaser to the Vendor for the Property shall be a total sum of **Ringgit Malaysia Twenty-Four Million (RM24,000,000.00) only** (hereinafter referred to as the "**Purchase Price**"), which shall be paid or caused to be paid by the Purchaser to the Vendor or the Vendor's Solicitors as stakeholders in the following manner: -
 - (a) prior to the execution of this Agreement, the Purchaser had paid to the Vendor's solicitor as stakeholders, a sum of **Ringgit Malaysia Four Hundred and Eighty Thousand (RM480,000.00) only** (hereinafter referred to as the "**Earnest Deposit**"), being the

refundable deposit and its receipt whereof shall be deemed and acknowledged by the Vendor as part payment towards the account of the Purchase Price;

- (b) simultaneously with the execution of this Agreement, the Purchaser shall pay the remaining deposit which amounts to a sum of **Ringgit Malaysia One Million Nine Hundred and Twenty Thousand (RM1,920,000.00) only** (hereinafter referred to as the "**Balance Deposit**") as part payment towards the account of the Purchase Price in the following manner: -

- (i) a sum of **Ringgit Malaysia Seven Hundred and Twenty Thousand (RM720,000.00) only** (hereinafter referred to as the "**Retention Sum**") to the Purchaser's Solicitors as stakeholders to be dealt in accordance with Clause 17.2 hereof. For the purpose of clarification and for the avoidance of doubt, the retention of the Retention Sum by the Purchaser's Solicitors shall be deemed and acknowledged by the Vendor as part payment towards the account of the Purchase Price; and
- (ii) the balance of **Ringgit Malaysia One Million and Two Hundred Thousand (RM1,200,000.00) only** to the Vendor's Solicitors as stakeholders, the receipt whereof the Vendor hereby acknowledges as part payment towards the account of the Purchase Price.

For the purpose of clarification and for the avoidance of doubt, the Earnest Deposit and the Balance Deposit shall hereinafter collectively be referred to as the "**Deposit**". The Earnest Deposit and the Balance Deposit less the Retention Sum shall be released by the Vendor's Solicitors to the Vendor within **fourteen (14) days** from the Unconditional Date (as defined below);

- (c) the balance of the Purchase Price of **Ringgit Malaysia Twenty-One Million Six Hundred Thousand (RM21,600,000.00) only** (hereinafter referred to as the "**Balance Purchase Price**") shall be paid or cause to be paid by the Purchaser or the Purchaser's Financier to the Vendor's Solicitors as stakeholders within a period of **ninety (90) days** from the Unconditional Date (hereinafter referred to as the "**Completion Period**"). In the event that the Balance Purchase Price or any part thereof is not paid within the Completion Period, the Vendor shall automatically grant an extension of **thirty (30) days** to the Purchaser after the expiry of the Completion Period (hereinafter referred to as the "**Extended Completion Period**") to pay the Balance Purchase Price or such part thereof remaining outstanding PROVIDED THAT the Purchaser shall pay to the Vendor's Solicitors as stakeholders an interest at the rate of **eight per centum (8%)** per annum (hereinafter referred to as the "**Late Payment Interest**") on the amount of the Balance

Purchase Price or such part thereof remaining outstanding commencing from the first day of the Extended Completion Period until the date of full payment by the Purchaser. The Late Payment Interest shall be determined/calculated on the basis of the actual number of days elapsed and a three hundred and sixty five (365) day year and shall accrue from day to day on simple interest.

For the purpose of clarification and for the avoidance of doubt, the date on which the Balance Purchase Price and the Late Payment Interest (if any) has been fully paid to the Vendor's Solicitors as stakeholders shall be referred to as the "**Completion Date**".

- 2.2 If any of the payments stipulated in Clause 2.1 is due on the date which is an Excluded Day, then the payment shall be made on the day next following which is not an Excluded Day.
- 2.3 Any excess of the Balance Purchase Price shall be released to the Vendor through the Vendor's Solicitors **fourteen (14) days** after presentation of all documents for registration to effect the transfer of the said Property to the Purchaser and a copy of the land office presentation receipt forwarded to the Vendor's Solicitors PROVIDED THAT legal possession of the said Property has been delivered to the Purchaser in accordance with Clause 8 below and the apportionment of all rates and outgoings in accordance with Clause 9 has been complied with.
- 2.4 The receipt by the Vendor's Solicitors of any part of the Purchase Price shall be sufficient discharge to the Purchaser of the sums so received.
- 2.5 For avoidance of doubt, in the event that the payment of the Balance Purchase Price, the late payment interest or any money due and payable by the Purchaser to the Vendor under this Agreement is made by way of Real-Time Electronic Transfer of Funds and Securities System (RENTAS) or e-payment or equivalent or the same is deposited/credited directly into the Vendor's Solicitors client's account or the account of the Vendor as the case may be, for the purpose of this Agreement, such payment shall only be deemed as received by the Vendor's Solicitors or the Vendor, as the case may be, on the date of the Vendor's Solicitors' receipt of the written notification together with the documentary proof that such payment has been made by the Purchaser or the Purchaser's Financier OR if any such payment(s) is/are made in the form of personal cheque/cashier's order/bank draft such payment(s) shall only deemed received by the Vendor's Solicitors upon the cheque/cashier's order/bank draft is confirmed cleared for payment by the Vendor's Solicitors' receiving bank provided that the Vendor's Solicitors presents the cheque/cashier's order/bank draft for clearance immediately upon receipt of the same before 4.00 p.m. otherwise, the said cheque/cashier's order/bank draft shall be treated received on the next following working day.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional upon fulfillment of the following conditions precedent ("**Conditions Precedent**") within the **ninety (90) days** from the date of this Agreement (hereinafter referred to as the "**Conditional Period**") with an automatic extension of **one (1) month** (hereinafter referred to as "**Extended Conditional Period**") granted by the Vendor upon written request by the Purchaser: -

- (a) the ultimate holding company of the Purchaser, WS-SK Target Group Limited, having obtained the approval of its shareholders in an extraordinary general meeting for the acquisition of the Property (hereinafter referred to as the "**Shareholders' Approval**");
- (b) the Purchaser having obtained the approval of the relevant state authority pursuant to Section 433B of the National Land Code (Revised 2020) ("**State Authority's Approval**"); and
- (c) the Purchaser having obtained financing of not less than sixty percent (60%) of the Purchase Price to part finance the Property (hereinafter referred to as the "**Purchaser's Loan**");

(The Shareholders' Approval, the State Authority's Approval and the Purchaser's Loan shall hereinafter be referred to as the "**Conditions Precedent**").

3.2 In the event the Conditions Precedent are not obtained, fulfilled and/or waived within the Conditional Period or Extended Conditional Period, as the case may be, the Parties hereby agree that this Agreement shall be rescinded and deemed mutually terminated, whereupon the Vendor and/or the Vendor's Solicitors shall refund the Deposit free from interest to the Purchaser within **seven (7) days** from the termination of this Agreement, failing which interest at the rate of **eight per centum (8%)** per annum to be calculated on a daily basis on the outstanding sum shall be imposed on the Vendor effective from the due date for the refund until the date of the Purchaser's actual receipt of the Deposit.

3.3 Thereafter this Agreement shall be terminated and shall be of no further force and effect and neither party hereto shall have any claims against the other save and except for any other antecedent breach.

3.4 The parties hereby agree that the Agreement shall become unconditional on the date which the last Conditions Precedent is fulfilled, obtained or waived (hereinafter referred to as the "**Unconditional Date**").

- 3.5 In view of the implementation of the Biometric Fingerprint Scanning for transactions valued at Ringgit Malaysia Five Million (RM5,000,000.00) and above by the Selangor Land Registry with effect from 2nd March, 2020, the Vendor and Purchaser shall at their sole costs and expenses within three (3) months from the Unconditional Date of this Agreement and upon written request from the Purchaser's Solicitors, attend to the biometric fingerprint scanning at the Selangor Land Registry. Parties shall forward to each other the confirmation document issued by the Selangor Land Registry for such fingerprint scanning. Without prejudice to the foregoing, the Vendor shall attend and complete the biometric fingerprint scanning within five (5) days from the date of receipt of the written request from the Purchaser's Solicitors and shall forthwith forward the relevant confirmation document to the Purchaser's Solicitors. In the event the Vendor fails to do so, the Completion Period shall automatically be extended, free of any late payment interest, by the number of days commencing from the expiry of the said five (5)-day period until the date of actual receipt by the Purchaser's Financier's Solicitors of the aforesaid confirmation document and the Vendor shall indemnify the Purchaser for all additional legal fees, financing costs and other expenses arising directly from such delay. Such failure shall constitute a material breach of this Agreement and shall entitle the Purchaser to seek specific performance and all other remedies available at law.

4. DELIVERY OF DOCUMENTS

- 4.1 Within **fourteen (14) working days** from the date of this Agreement, the Vendor shall deliver or caused to be delivered to the Purchaser's Solicitors as stakeholders the following documents: -
- (a) the duly executed, valid and registrable (but unstamped and not adjudicated) memorandum of transfer ("**Memorandum of Transfer**") of the Property in favour of the Purchaser;
 - (b) three (3) certified true copies each of the Vendor's Form 9 and Forms 13 (if any) of the CA 1965 or equivalent forms under the CA 2016 and the Constitution, where applicable, certified as true by the Vendor's company secretary;
 - (c) three (3) certified true copies each of the Vendor's latest Memorandum and Articles of Association, the latest Forms 24, Form 44 and the certified true copy each and every page of the Form 49 or the equivalent under the CA 2016 certified as true by the Vendor's company secretary;
 - (d) three (3) certified true copies each of the identity cards of the authorised signatories of the Vendor executing this Agreement and the Memorandum of Transfer, certified as true by the Vendor's Solicitors (in colour);

- (e) three (3) certified true copies each of the Vendor's Board of Director's and Member's resolution approving the disposal of the Property to the Purchaser and authorising the execution of this Agreement, the Memorandum of Transfer and all documents relating thereto with its common seal affixed in accordance with its Constitution/Articles of Association, on terms and conditions as set out in this Agreement, certified as true by the Vendor's company secretary;
- (f) two (2) certified true copies of the current year quit rent, assessment, sewerage charges, sinking fund receipts (where applicable) as proof that all outgoings in relation to the said Property has been duly paid and settled up to date;
- (g) two (2) certified true copies of the issue document of title to the said Property;
- (h) particulars of the Vendor's income tax reference number and the branch office of the Inland Revenue Board where the Vendor files their tax returns; and
- (i) any other documents reasonably requested by the Purchaser and incumbent upon the Vendor to provide, for the completion of the sale and purchase of the Property in favour of the Purchaser;

(hereinafter collectively referred to as the "**Vendor's Documents**").

4.2 Within **fourteen (14) working days** from the date of this Agreement, the Purchaser shall deliver to the Vendor's Solicitors as stakeholders the following documents: -

- (a) two (2) certified true copies each of the Purchaser's latest Memorandum and Articles of Association, the latest Forms 24, 44 and two (2) certified true copies each and every page of the Form 49 or the equivalent under the CA 2016, certified as true by the Purchaser's company secretary;
- (b) a certified true copy each of the Purchaser's Form 9 and all Forms 13 (if any) of the CA 1965 or equivalent forms under the CA 2016 and the Constitution, where applicable, certified as true by the Purchaser's company secretary;
- (c) two (2) certified true copies each of the Purchaser's Board of Directors' resolution and Members' resolution approving the purchase of the Property and authorising the execution of this Agreement and Memorandum of Transfer together with all relevant documents with its common seal affixed in accordance with its Constitution/Articles of Association, on terms and conditions as set out in this Agreement, certified as true by the Purchaser's company secretary;

(d) two (2) certified true copies of the identity cards of the authorised signatories of the Purchaser executing this Agreement and the Memorandum of Transfer, certified as true by the Purchaser's Solicitors (in colour); and

(e) particulars of each of the Purchaser's income tax reference number;

(hereinafter collectively referred to as the "**Purchaser's Documents**").

4.3 At the appropriate time after the Purchaser's Solicitors' receipt of the Memorandum of Transfer as stakeholders, the Purchaser's Solicitors are hereby directed and authorised to: -

(a) submit the Memorandum Transfer to the Collector of Stamp Duties (herein be referred to as the "**Collector**") for adjudication purposes;

(b) arrange for payment of stamp duty as adjudicated; and

(c) thereafter forward the duly stamped and adjudicated Memorandum of Transfer to the solicitors acting for the Purchaser's Financier (hereinafter be referred to as the "**Purchaser's Financier's Solicitors**") for the release of the loan sum to the Vendor PROVIDED THAT the Differential Sum (as defined below) has been paid by the Purchaser to the Vendor's Solicitors as stakeholders.

4.4 The Parties hereto shall take all steps and execute and/or cause to be executed all documents as may be necessary to enable the Memorandum of Transfer to be adjudicated by the relevant authority for the purposes of determining the proper stamp duty payable on the conveyance of the Property and to register the same in favour of the Purchaser.

5. APPLICATION FOR LOAN

5.1 In the event the Purchaser shall apply to a financial institution (hereinafter referred to as the "**Purchaser's Financier**") for a Loan on the security of a charge (hereinafter referred to as the "**Purchaser's Financier's Charge**") over the Property to finance the payment of the Balance Purchase Price, the Vendor shall within **fourteen (14) days** from the date of receipt by the Vendor's Solicitors of the written notification by the Purchaser's Financier's Solicitors forward to the Purchaser's Solicitors:-

(a) an undertaking in writing from the Vendor addressed directly to the Purchaser's Financier wherein the Vendor undertakes to refund or cause to be refunded to the Purchaser's Financier all moneys released by the Purchaser's Financier to the Vendor or the Vendor's

Solicitors as stakeholders towards the account of the Purchase Price in the event that the Memorandum of Transfer cannot be registered for any reason whatsoever resulting in the non-registration of the Purchaser's Financier's Charge (hereinafter referred to as the "**Vendor's Undertaking**");

(b) a redemption statement cum letter of undertaking in writing from the Vendor's Financiers addressed directly to the Purchaser's Financier in respect of the following (hereinafter referred to as the "**Vendor's Financiers' Undertaking**"): -

(i) the Vendor's Financiers' statement as to the amount of the redemption sum payable to redeem the Property (hereinafter referred to as the "**Redemption Sum**");

(ii) an undertaking, upon receipt of the Redemption Sum, to execute a valid and registrable withdrawal of private caveat and the discharge of charge in respect of the Vendor's Financier's Charge (hereinafter referred to as the "**Discharge of Charge**") and thereafter to deliver the same to the Vendor's Solicitors together with the duplicate charge(s) in respect of the Vendor's Financier's Charge (hereinafter referred to as the "**Duplicate Charge**"), the original Title and all other relevant security documents; and

(iii) to refund the Redemption Sum in the event that the Discharge of Charge cannot be registered at the relevant land office/registry for any reason whatsoever.

(c) such other documents as may be reasonably required by the Purchaser's Financier.

5.2 In the event the Purchaser's Solicitors or the Purchaser's Financier's Solicitors do not receive the documents provided in Clause 5.1 above within **fourteen (14) days** from the date of receipt by the Vendor of the said notification of writing by the Purchaser's Financier's Solicitors, the Completion Period shall be automatically extended free of late payment interest, for the number of days in excess of the stipulated **fourteen (14) days** taken in forwarding the aforesaid documents up to the actual receipt by the Purchaser's Financier's Solicitors of the same.

6. REDEMPTION

6.1 The Vendor shall subject to the receipt by the Vendor's Solicitors of the Purchaser's Financier's Undertaking (as defined herein) and the Differential Sum (as defined herein), within **fourteen (14) days** of the Vendor's Financier's receipt of the Redemption Sum forward or procure to be forwarded: -

- (a) the duly executed Discharge of Charge;
- (b) the Duplicate Charge;
- (c) the withdrawal form of the Private Caveat (if applicable);
- (d) the original issue document of title to the Property (herein be referred to as the “**Original Title**”); and
- (e) all other relevant documents pertaining to the Property which are in the possession of the Vendor's Financier together with the requisite stamp duty and registration fee for discharge process thereof,

(herein collectively be referred to as the “**Discharge Documents**”) to the Purchaser's Solicitors or the Purchaser's Financier's Solicitors, as the case may be, as stakeholders, failing which the Completion Period shall be automatically extended free of the interest for the number of days in excess of the stipulated **fourteen (14) days** taken in forwarding the aforesaid documents to the Purchaser's Solicitors or the Purchaser's Financier's Solicitors, as the case may be.

6.2 The Parties hereto hereby agree that the Balance Purchase Price shall be first utilised to redeem the Property from the Vendor's Financiers and the Purchaser is hereby authorised to utilise such part or portion of the Balance Purchase Price to pay to the Vendor's Financiers directly for the purpose of redeeming the Property from the Vendor's Financiers and all such payments made to the Vendor's Financiers from the Balance Purchase Price shall be deemed and acknowledged by the Vendor to be payments made towards the account of the Purchase Price.

6.3 In the event that the Balance Purchase Price is not sufficient to redeem the Property from the Vendor's Financiers, the Vendor shall within **fourteen (14) days** upon receipt by the Vendor or the Vendor's Solicitors (as the case may be) of the Vendor's Financiers' Undertaking, pay to the Vendor's Financiers such additional amount as may be necessary to redeem the Property from the Vendor's Financiers, failing which the Completion Period shall be automatically extended free of late payment interest, for the number of days in excess of the stipulated **fourteen (14) days** taken in redeeming the Property.

7. PRESENTATION / REGISTRATION

7.1 The Purchaser's Solicitors or the Purchaser's Financier's Solicitors, as the case may be, shall be unconditionally and irrevocably authorised and required to present the Memorandum of Transfer and all other relevant documents for registration at the relevant land office/registry, upon: -

- (a) the Purchaser's Solicitors' or the Purchaser's Financier's Solicitors, as the case may be, receipt of Discharge Documents, Vendor's Documents and all other relevant documents necessarily required for registration of the Memorandum of Transfer in favour of the Purchaser at the relevant land office/registry (herein collectively be referred to as the **"Completion Documents"**); or
- (b) upon the Vendor's Solicitors' receipt of: -
 - (1) the original letter of undertaking from the Purchaser's Financier to the Vendor in accordance with the usual practice of the Purchaser's Financier (herein be referred to as the **"Purchaser's Financier's Undertaking"**); and
 - (2) the amount of the difference between the Balance Purchase Price and the Loan (if any) received by the Vendor's Solicitors as stakeholders (herein be referred to as the **"Differential Sum"**) on or before the Completion Period or the Extended Completion Period, as the case may be.

7.2 The Vendor's Solicitors shall be authorised, upon their receipt thereof, to release to the Vendor the Balance Purchase Price or any part thereof after deducting and setting off:-

- (a) all outgoings of the Property for which the Vendor is liable to pay upon apportionment thereof, if any;
- (b) all tenancy deposits (including the security deposit, utility deposit and any other refundable deposits, whichever is applicable) payable by the Vendor to the Purchaser pursuant to Tenancy Agreement as set out in Clause 9A below; and
- (c) any other sums which the Vendor is required to pay or reimburse to the Purchaser under this Agreement;

after expiry of the **fourteen (14) days** from the presentation of the Memorandum of Transfer and/or Charge (if applicable) for registration at the relevant land office/registry PROVIDED THAT (i) the legal possession of the said Property has been delivered to the Purchaser, (ii) the Vendor having shown proof that all outgoings, including but not limited to the quit rent, assessment rates, sewerage charges, service/maintenance charge, sinking fund, electricity and water bills have been paid to the relevant authorities as of the Legal Possession Date (as defined below) and (iii) the Vendor has duly refunded or settled all amounts referred to in paragraphs (b) and (c) above, failing which the Purchaser shall be entitled, at its sole discretion, to deduct and set-off such outstanding amounts against the Balance Purchase Price or any other monies payable to the Vendor under this Agreement.

8. DELIVERY OF LEGAL POSSESSION

- 8.1 Legal possession of the Property shall be delivered by the Vendor to the Purchaser on an "as is where is" basis as at the Date of Inspection (fair wear and tear excepted) free from all caveats, liens, charges, encumbrances on the Completion Date and/or on the date of receipt of the Balance Purchase Price (whichever is applicable) by the Vendor's Solicitors together with payment of late payment interest (if any) and apportioned outgoings payable by the Purchaser.

The Vendor's Solicitors shall deliver to the Purchaser or the Purchaser's Solicitors the computation of late payment interest (if any) and the apportionment of outgoings supported by official receipt and/or statement of account within the next **three (3) working days** from the Completion Date.

- 8.2 For the purpose of this Agreement, the date of actual delivery of the legal possession by the Vendor to the Purchaser shall be referred to as the "**Legal Possession Date**".

9. LAWFUL OUTGOINGS

- 9.1 All quit rent, assessment, tax, rates, sewerage charges and all other outgoings payable in respect of the Property shall be borne and fully settled by the Vendor as and when they shall become due and payable up to and including the Legal Possession Date and shall be apportioned between the Parties as at twelve midnight on such date. Each Party shall within **seven (7) working days** of the apportionment date pay its apportionment to the other Party who has paid such outgoings and charges upon production by the other Party of the relevant receipts thereof.
- 9.2 If necessary, the Vendor's Solicitors are hereby irrevocably authorised to retain a sufficient sum from the Balance Purchase Price to settle on behalf of the Vendor any outstanding charges owing to the relevant authorities in respect of the Property and shall forthwith forward copies of receipts for the Property to the Purchaser's Solicitors prior to the release of the prior to the release of the remaining balance purchase price to the Vendor.
- 9.3 The Vendor hereby expressly agrees covenants and undertakes to indemnify and reimburse the Purchaser in respect of any lawful payment made or any outgoing paid by the Purchaser for which the Vendor is liable under the provisions of this Agreement within **seven (7) working days** of demand being made by the Purchaser.
- 9.4 The Parties undertakes to do all such acts and things as may be required to inform all the relevant authorities and the management corporation (if applicable) of the change of ownership of the Property upon the completion of the sale and purchase herein and to pay all costs and expenses arising there from or in connection therewith.

9.5 It is hereby agreed and declared that the solicitors of the Parties hereto shall not be held responsible or liable in any event for ensuring and filing of any change of ownership form with any authorities whatsoever and the parties shall proceed at their own costs and expenses.

9A. EXISTING TENANCY

9A.1 Upon Completion Date, the Parties hereby agree that:-

- (a) the Tenancy Agreement shall automatically terminate and cease to have any further force or effect, without prejudice to any rights and obligations of the parties accrued prior to such termination;
- (b) the Vendor shall refund to the Purchaser on the Completion Date all tenancy deposits (including the security deposit, utility deposit and any other refundable deposits, whichever is applicable) paid by the Purchaser pursuant to the Tenancy Agreement. In the event the Vendor fails to refund any such deposits in full on the Completion Date, the Purchaser shall be entitled, at its sole discretion, to deduct or set-off the amount outstanding against the Balance Purchase Price or any other monies payable by the Purchaser to the Vendor under this Agreement;
- (c) all rental and other recurring outgoings payable under the Tenancy Agreement shall be apportioned as at the Completion Date. The Vendor shall be entitled to the rent accrued up to and including the Completion Date, and any rent, service charges or other sums paid by the Purchaser in advance in respect of any period after the Completion Date shall be refunded by the Vendor to the Purchaser on the Completion Date. In the event any refund or adjustment remains outstanding, the Purchaser shall be entitled, at its sole discretion, to deduct or set-off the amount outstanding against the Balance Purchase Price or any other monies payable by the Purchaser to the Vendor under this Agreement; and
- (d) save as expressly provided in this Agreement, neither Party shall have any further rights or obligations against the other under the Tenancy Agreement following the Completion Date.

10. PRIVATE CAVEAT

10.1 Upon the execution of this Agreement, the Purchaser shall be entitled at the Purchaser's own cost and expense to present and register a private caveat on the Property to protect the Purchaser's interests in the Property prior to the completion of the Agreement (hereinafter referred to as the "**Private Caveat**").

- 10.2 The Purchaser shall simultaneously with the execution of the Private Caveat, execute and deposit with the Purchaser's Solicitors the duly executed withdrawal of private caveat forms and the requisite registration fees and in the event that this Agreement is lawfully terminated, the Purchaser's Solicitors shall be authorised to present the withdrawal of private caveat for registration at the relevant land office/registry within **fourteen (14) days** from the date this Agreement is lawfully terminated.

11. **VENDOR'S REPRESENTATIONS AND WARRANTIES**

- 11.1 The Vendor hereby represents and warrants to the Purchaser from the date of this Agreement until the Completion Date that: -

- (a) the matters set out in the Recitals are true, accurate and correct;
- (b) the Vendor is the sole legal and registered owner of the Property, with full power and authority to sell the Property and that save and except for the Vendor's Financier's Charge, the Vendor has not encumbered and shall not, from the date of this Agreement until the Completion Date, create, grant, permit or suffer to subsist, any mortgage, charge, lien, caveat, trust, beneficial interest, nominee arrangement or any other encumbrance or third-party right or interest whatsoever over or affecting the Property, nor shall the Vendor do or omit to do anything which may adversely affect the Vendor's ability to transfer good, marketable and registrable title to the Purchaser in accordance with this Agreement;
- (c) the Vendor has the power and legal capacity to enter into, execute, deliver and perform the terms of this Agreement and that in doing so the Vendor is not contravening any law nor breaching any contractual obligation on the Vendor's part whatsoever;
- (d) save as disclosed hereof this Agreement, the Vendor has not entered into any agreement with any person, firm or company to sell the Property or any part thereof or grant any tenancy, lease, option, license, easement or any other right whatsoever over or in respect of the Property or any part thereof to any person, firm or company, and in the event of such agreement, that the Vendor has lawfully terminated and/or revoke;
- (e) the Vendor is not wound-up and to the best of the Vendor's knowledge that there is no winding-up proceeding threatened and/or pending against the Vendor and to the best of the Vendor's knowledge that there is no legal proceeding threatened and/or pending against the Vendor which may impede the Vendor's ability to perform its duties under this Agreement;

- (f) there is no past and/or existing government acquisition on the Property or any part or portion thereof and the Vendor has not received any notice(s), order, directive, requisition, enforcement action, investigation, prosecution or requirement from any federal, state or local governmental or other authority or statutory board which remains outstanding and may prejudice or affecting the Vendor's title to the Property or adversely affect the present or continued use and enjoyment by the Vendor or heirs or which may subject the Vendor or their heirs to any charge or liability and that the Vendor shall immediately give notice to the Purchaser of any such notice(s), order(s) and/or requirement(s) received from any federal, state or local governmental or other authority or statutory board at any time after the date of this Agreement. The Vendor shall immediately notify the Purchaser upon becoming aware of or receiving any such notice, order, directive, requisition, enforcement action, investigation, prosecution or requirement at any time after the date of this Agreement and prior to the Completion Date;
- (g) there are no litigation, arbitration or administrative proceedings presently current or pending or threatened against the Vendor which proceedings might affect the Vendor's ability to perform this Agreement or frustrate the completion of the transaction hereunder;
- (h) all quit rents and assessments and other outgoings levied or imposed on the Property (inclusive of any penalty and/or interests) has been or will be duly paid up to date and no event of default has occurred that could or might entitle the appropriate authority to forfeit the Property or any part thereof;
- (i) the Vendor has observed and complied with all conditions covenants restrictions and category of land use, express or implied, binding on the Property or otherwise howsoever affecting the Property;
- (j) that there are no amounts or any claims (disputed or otherwise) due to any person/body/corporation/authority in respect of the Property, no event has happened which could or might affect the ability of the Vendor(s) to observe or perform their obligations under this Agreement or render this Agreement invalid;
- (k) the said Property is in good condition; and
- (l) the Vendor acknowledges that the Purchaser entered into this Agreement on the basis of and in full reliance of the aforesaid representations and warranties.

11.2 The truth and correctness of the matters stated in the representations and warranties as set out in Clause 11.1 hereof shall form the basis of the Purchaser's commitment to purchase the Property in accordance with the provisions of this Agreement and the Vendor further warrants,

represents and undertakes to the Purchaser that the representations and warranties shall remain true and correct in all material respects and not misleading at date of this Agreement and the registration of the Memorandum of Transfer in favour of the Purchaser as if they had been entered into afresh at the date of the registration of the Memorandum of Transfer in favour of the Purchaser. The Vendor shall immediately notify the Purchaser upon becoming aware of any fact, matter, circumstance or event which renders, or is likely to render, any of the representations or warranties untrue, inaccurate, incomplete or misleading in any material respect, and shall, at its own costs and expenses, promptly take all necessary steps to remedy or rectify the same to the Purchaser's reasonable satisfaction.

11.3 If any representation or warranty is found to be untrue, inaccurate, incomplete or misleading in any material respect, or if the Vendor fails to remedy or rectify the same within such reasonable period as may be specified by the Purchaser, the Purchaser shall, without prejudice to its rights under Clause 11.4 and any other rights or remedies available under this Agreement or at law, be entitled, at its sole discretion, to:-

- (a) require the Vendor to remedy or rectify such breach to the Purchaser's reasonable satisfaction;
- (b) defer Completion Period until such breach has been fully remedied or rectified;
- (c) withhold, deduct or set-off from the Balance Purchase Price any amount reasonably required to secure the Vendor's obligations pending the full remedy or rectification of such breach; and/or
- (d) seek specific performance, injunctive relief or any other equitable or legal relief to enforce the Vendor's obligations under this Agreement.

The representations, warranties and undertakings contained in this Clause shall survive Completion and shall remain binding on the Vendor notwithstanding Completion.

11.4 The Vendor shall at all times indemnify, save harmless and keep indemnified the Purchaser against all actions, proceedings, damages, penalties, costs, claims and demands by reason or on account of any breach or misrepresentation or non-fulfilment of the declarations, representations, warranties, covenants and undertakings set forth in this Clause 11.1 herein or any of them.

12. PURCHASER'S REPRESENTATIONS AND WARRANTIES

12.1 The Purchaser hereby represents and warrants to the Vendor from the date of this Agreement

until Completion Date that: -

- (a) that the Purchaser is not wound up and there are no winding-up proceedings pending against the Purchaser;
- (b) there are no pending suits, legal proceedings or claims against the Purchaser which may affect in any way the Purchaser's rights to acquire the Property in accordance with this Agreement or frustrate the completion of the sale and transfer of the Property to the Purchaser;
- (c) the Purchaser shall at all times at its own expense comply with and shall not do or omit to do or permit or suffer to be done or omitted any acts or omissions which may contravene or violate the provisions or requirements of this Agreement or the provisions or requirements imposed by a relevant authority or by any existing or future legislation in relation to this Agreement; and
- (d) the Purchaser has the capacity to enter into this Agreement and to purchase the Property in accordance with the terms and conditions herein contained.

12.2 The Purchaser further warrants, represents and undertakes to the Vendor that the representations and warranties shall remain true and correct in all material respects and not misleading at date of this Agreement and the registration of the Memorandum of Transfer in favour of the Purchaser as if they had been entered into afresh at the date of the registration of the Memorandum of Transfer in favour of the Purchaser. If any representation or warranty shall at any time hereafter be found to have been incorrect in any material aspect then and in such event the Vendor shall have the right at their discretion to terminate this Agreement at any time prior to the Completion Period or the Extended Completion Period and upon such termination the provisions of Clause 13.1 hereof shall so far as applicable apply mutatis mutandis.

13. DEFAULT BY THE PURCHASER

13.1 In the event the Purchaser shall default in payment of the Balance Purchase Price in accordance with this Agreement or in the event the Purchaser shall be in breach of any material provision of this Agreement or the Memorandum of Transfer is not accepted or is rejected for registration or is not registered due to the default, willful neglect, omission or blameworthy conduct on the part of the Purchaser, and, and thereafter such failure or breach is not remedied by the Purchaser within **thirty (30) days** after the Vendor shall have given written notice to the Purchaser's Solicitors for the Purchaser to remedy such failure or breach or such extended period to be granted by the Vendor PROVIDED THAT without any fault of the Vendor and the Vendor have complied with all the terms herein, the Vendor shall be entitled to terminate this Agreement by

giving written notice to the Purchaser and forfeit the Deposit as agreed liquidated damages but all other payments made towards the Purchase Price shall be refunded to the Purchaser free of interest within **fourteen (14) days** from the date of the notice of termination issued by the Vendor **FAILING WHICH** interest at the rate of **eight per centum (8%) per annum** calculated on daily basis shall be charged on the Vendor on such sums remain outstanding from the date the same is due until the whole sum thereof including the interest thereto is fully realised and in simultaneous exchange for the refund thereof, the Purchaser shall, at its own cost and expenses:-

- (a) re-deliver legal possession of the Property to the Vendor in the same state and condition as at the Legal Possession Date if the same has been delivered to the Purchaser in accordance with the provisions of this Agreement without any rental or compensation being payable;
- (b) forthwith remove all encumbrances and/or caveats, if any, within stipulated time herein at the Purchaser's costs and expense on the Property attributable to the Purchaser and/or the Purchaser's Financier; and
- (c) return or cause to be returned to the Vendor of all the Completion Documents (if the same has already been delivered to the Purchaser and is still in its possession) with the Vendor's interest intact save and except for the Memorandum of Transfer which shall be redelivered to the Vendor after the Purchaser has made a claim for the refund of the stamp duty paid thereon, and the said stamp duty having been refunded and the Purchaser's receipt of the Memorandum of Transfer from the relevant stamp office (where applicable);

whereupon this Agreement shall terminate and cease to be of any further effect but without prejudice to any right, which either Party may be entitled to against the other Party in respect of any antecedent breach of this Agreement.

14. DEFAULT BY THE VENDOR

- 14.1 In the event the Vendor shall fail to comply observe or be in breach of any provision of this Agreement or in the event that any of the representations or warranties of the Vendor is untrue or incorrect or misleading in any respect or the Memorandum of Transfer is not accepted or is rejected for registration or is not registered for any reason whatsoever due to the default, willful neglect, omission on the part of the Vendor, and such failure or breach or reason for non-registration is not remedied by the Vendor within **thirty (30) days** after the Purchaser shall have given written notice to the Vendor to remedy such failure or breach or such extended period to be granted by the Purchaser, the Purchaser shall unless there are express provisions hereinafter contained to the contrary, be entitled to:-

- (a) the remedy at law for specific performance of this Agreement and all costs and expenses incurred by the Purchaser in connection therewith shall be borne and paid by the Vendor including the Purchaser's Solicitors' charges on a solicitor and client basis Provided Always That nothing herein contained shall in any way affect or prejudice any other rights or remedies which the Purchaser may have in law; or
- (b) the Purchaser shall be entitled to terminate this Agreement by giving written notice to the Vendor and the Vendor shall, within **fourteen (14) days** of receipt by the Vendor of notice in writing from the Purchaser of such event, refund to the Purchaser all monies paid by the Purchaser towards the Purchase Price under this Agreement free of interest together with an additional sum equivalent to the Deposit as agreed liquidated damages **FAILING WHICH** interest at the rate of **eight per centum (8%) per annum** calculated on daily basis shall be charged on the Vendor on such sums remain outstanding from the date the same is due until the whole sum thereof including the interest thereto is fully realised and in simultaneous exchange thereof, the Purchaser shall:-
 - (i) re-deliver legal possession of the Property to the Vendor in the same state and condition as at the Legal Possession Date if the same has been delivered to the Purchaser in accordance with the provisions of this Agreement without any rental or compensation being payable;
 - (ii) forthwith remove all encumbrances and/or caveats, if any, within stipulated time herein at the Purchaser's costs and expense on the Property attributable to the Purchaser and/or the Purchaser's Financier; and
 - (iii) return or cause to be returned to the Vendor of all the Completion Documents (if the same has already been delivered to the Purchaser and is still in its possession) with the Vendor's interest intact save and except for the Transfer which shall be redelivered to the Vendor after the Purchaser has made a claim for the refund of the stamp duty paid thereon, and the said stamp duty having been refunded and the Purchaser's receipt of the Transfer from the relevant stamp office (where applicable);

whereupon this Agreement shall terminate and cease to be of any further effect but without prejudice to any right, which either Party may be entitled to against the other Party in respect of any antecedent breach of this Agreement.

15. NON-REGISTRATION OF THE MEMORANDUM OF TRANSFER

- 15.1 In the event that the Memorandum of Transfer in respect of the Property cannot be registered in favour of the Purchaser with the relevant land office/registry or the Purchaser's Financier's charge

in respect of the Property cannot be registered in favour of the Purchaser's Financier or is non-effective for any reason whatsoever other than through any default neglect omission or blameworthy conduct of the Parties hereto, which defect cannot be rectified by the parties herein within **thirty (30) days** from the date of rejection or non-registration is made known to the Purchaser or such other extended period as the Parties may mutually agree upon, this Agreement shall be automatically terminated whereupon the Vendor shall within **fourteen (14) days** from the date of receipt by the Vendor of written notice from the Purchaser's Solicitors to refund to the Purchaser all money paid by and on behalf of the Purchaser to the Vendor and Vendor's Solicitors towards the Purchase Price and all other moneys (if any) payable by the Purchaser to the Vendor pursuant to and under the terms of this Agreement in respect of the purchase of the Property, free of interest, including the Deposit FAILING WHICH the Vendor shall pay interest at the rate of **eight per centum (8%) per annum** calculated on daily basis on such monies remain outstanding from the date the same is due until the whole sum thereof including the interest thereto is fully realised and in simultaneous exchange for:-

- (i) re-deliver legal possession of the Property to the Vendor in the same state and condition as at the Legal Possession Date if the same has been delivered to the Purchaser in accordance with the provisions of this Agreement without any rental or compensation being payable;
- (ii) forthwith remove all encumbrances and/or caveats, if any, within stipulated time herein at the Purchaser's costs and expense on the Property attributable to the Purchaser and/or the Purchaser's Financier; and
- (iii) return or cause to be returned to the Vendor of all the Completion Documents (if the same has already been delivered to the Purchaser and is still in its possession) with the Vendor's interest intact save and except for the Transfer which shall be redelivered to the Vendor after the Purchaser has made a claim for the refund of the stamp duty paid thereon, and the said stamp duty having been refunded and the Purchaser's receipt of the Transfer from the relevant stamp office (where applicable);

whereupon this Agreement shall terminate and cease to be of any further effect but without prejudice to any right, which either Party may be entitled to against the other Party in respect of any antecedent breach of this Agreement.

- 15.2 In the event that the Memorandum of Transfer has been adjudicated and stamped, the Purchaser shall be entitled to surrender the Memorandum of Transfer to the relevant stamp office for the purpose of seeking refund of the stamp duty paid in the event of lawful termination of this Agreement in accordance with Clause 13, Clause 14 and Clause 15 hereof.

16. GOVERNMENT ACQUISITION

16.1 The Vendor hereby warrants and undertakes to the Purchaser that as at the date of this Agreement, the Vendor has no knowledge nor any reason to believe that the Property or any part or portion thereof has been acquired or is subject to acquisition or intended acquisition by any governmental statutory urban municipal or other authority or that any advertisement in the Government Gazette of such intention has been published pursuant to either Section 4 or Section 8 of the Land Acquisition Act, 1960. In the event of the Government or any other authority having power in that behalf acquiring the Property for any purpose whatsoever between the date of this Agreement but prior to the presentation for registration of the Memorandum of Transfer, the Purchaser shall have the right within **fourteen (14) days** from the date of receipt of such notice from the Vendor's Solicitors or the Vendor (which notice the Vendor undertakes to deliver to the Purchaser and/or the Purchaser's Solicitors forthwith upon receipt thereof) to elect either: -

(a) to terminate this Agreement and the Purchaser shall give a notice of such of his intention in writing to the Vendor and the Vendor shall within **thirty (30) days** from the date of receiving the termination notice refund or caused to be refunded to the Purchaser all moneys including the Deposit paid towards account of the Purchase Price free of interest in simultaneous exchange for: -

- (i) re-deliver legal possession of the Property to the Vendor in the same state and condition as at the Legal Possession Date if the same has been delivered to the Purchaser in accordance with the provisions of this Agreement without any rental or compensation being payable;
- (ii) forthwith remove all encumbrances and/or caveats, if any, on the Property attributable to the Purchaser and/or the Purchaser's Financier; and
- (iii) return or cause to be returned to the Vendor of all the Completion Documents (if the same has already been delivered to the Purchaser and is still in its possession) with the Vendor's interest intact save and except for the Transfer which shall be redelivered to the Vendor after the Purchaser has made a claim for the refund of the stamp duty paid thereon, and the said stamp duty having been refunded and the Purchaser's receipt of the Transfer from the relevant stamp office (where applicable);

thereafter this Agreement shall terminate and cease to be of any further effect but without prejudice to any right, which either Party may be entitled to against the other Party in respect of any antecedent breach of this Agreement; or

- (b) to continue with the purchase of the Property and in such event the Vendor shall immediately notify the Government or acquiring authority of the Purchaser's interest in the Property and the terms of this Agreement and shall immediately upon having notice of such acquisition notify the Purchaser accordingly. Subject to the full payment of the Purchase Price by the Purchaser, the Vendor undertakes and shall forthwith upon receiving all benefits and moneys payable by way of compensation paid pursuant to such acquisition pay the same to the Purchaser. The Vendors shall in all matters concerning such acquisition act upon the instructions and at the cost of the Purchaser and shall do all acts and things as may reasonably be required by the Purchaser for the purpose of obtaining the best compensation payable. To the extent that the compensation received exceeds the Purchase Price and all other sums payable by the Purchaser under this Agreement, the Vendors shall promptly within **three (3) working days** pay the excess to the Purchaser.

- 16.2 In the event that the Purchaser shall fail to within **fourteen (14) days** from its receipt of such notice of acquisition or intended acquisition from the Vendor, serve its notice in writing to the Vendor whether to continue with the sale and purchase of the Property or to terminate the sale and purchase of the Property pursuant to Clause 16.1, the Purchaser shall be deemed to have elected to continue with the sale and purchase of the Property and the provision in Clause 16.1(b) shall apply.

17. REAL PROPERTY GAINS TAX

- 17.1 The Parties hereby expressly agree, covenant and undertake with each other that the Parties shall individually and at their own costs file their respective returns to the Director-General of Inland Revenue (hereinafter be referred to as the "DGIR") in connection with their respective disposal and acquisition of the Property within **sixty (60) days** from the date of this Agreement.
- 17.2 The Parties hereto understand and acknowledge that pursuant to Section 21B of the Real Property Gains Tax Act 1976 ("hereinafter referred to as the "RPGT Act"), the Purchaser through Purchaser's Solicitors shall retain the Retention Sum which is equivalent to three per centum (3%) of the Purchase Price to the DGIR as the Real Property Gains Tax (hereinafter referred to as the "RPGT") and the Parties hereto authorise the Purchaser's Solicitors to pay the Retention Sum to the DGIR within **forty (40) days** from the date of this Agreement.
- 17.3 Notwithstanding the above, the Vendor hereby agrees to indemnify and keep the Purchaser and the Purchaser's Solicitors fully indemnified against all actions, proceedings, prosecutions, claims, demands, costs, damages, losses, fines or penalties which may be brought made or levied against or suffered by the Purchaser and the Purchaser's Solicitors as a result of the Vendor's non-compliance, if any, with any of the provisions of this clause, the RPGT Act and/or its

Amendment Acts.

- 17.4 The Parties hereby covenant and agree with each other that they shall also comply with all necessary directives that may be issued by the DGIR. For this purpose, each Party will, within **seven (7) working days** from a written request made, furnish to the other Party the relevant details necessary for the submission of the return forms.
- 17.5 In the event there is any modification or changes to the RPGT, the parties hereto including their solicitors shall comply with such modification or changes notwithstanding the provision of this Agreement.

18. MISCELLANEOUS

18.1 Costs and expenses

- (a) Each party shall bear their own solicitor's fees and charges in connection with and incidental to this Agreement.
- (b) The Vendor shall bear all fees, costs and charges in connection and incidental to the procurement of the Completion Documents. The Vendor shall bear all cost and expense for the preparation, stamp duties, obtaining approval from relevant authority, registration fees and penalty for the discharge of charge, if any or the removal of all encumbrances in relation to the Property in order to deliver the Property free from encumbrances to the Purchaser and the penalty on the late registration of the Memorandum of Transfer if in the event the penalty is a result of the delay by the Vendor in forwarding the Completion Documents.
- (c) Apart there from and save as otherwise provided in this Agreement, the stamp duties (inclusive of penalty registration fee) and registration fees payable in connection with and incidental to this Agreement, Memorandum of Transfer and the Purchaser's Financier's Charge shall be borne by the Purchaser. It is hereby agreed that if the Collector of Stamp Duty or any other competent authority shall at any time hereafter value the Property at a value higher than the Purchase Price stated herein, the Purchaser shall be liable to pay any additional stamp duty required and any penalty which may be imposed by the Collector of Stamp Duty or any competent authority.
- (d) The quit rents, assessment, and maintenance charges (if any in respect of the said Property shall be apportioned between the Parties at the Legal Possession Date.

18.2 Time to be of the essence

Time wherever mentioned shall be deemed to be and treated as of the essence of this Agreement.

18.3 Risk

- (a) The Property shall be at the sole risk of the Vendor until the Legal Possession Date. Thereafter the Property shall be at the risk of the Purchaser.
- (b) In the event the Property or any part thereof shall at any time before the Legal Possession Date be damaged or destroyed by Act of God, fire, flood, earthquake, bad weather or any other causes beyond the control of the Vendor rendering the Property substantially damaged beyond repair, the Purchaser shall be entitled elect to: -
 - (i) terminate this Agreement by giving notice in writing to that effect to the Vendor and upon such termination, the Vendor shall refund to the Purchaser all moneys paid by or on behalf of the Purchaser under and pursuant to this Agreement, free of interest, including the Deposit within **fourteen (14) days** of termination FAILING WHICH the Vendor shall pay to the Purchaser interest at the rate of **eight per centum (8%) per annum** calculated on daily basis on such moneys remain outstanding from the expiry of the fourteenth (14th) day until the date of full settlement and upon the receipt of such refund, the Purchaser shall return the Completion Documents to the Vendor with the Vendor's interest intact, remove all encumbrances and/or caveats, if any, on the Property attributable to the Purchaser and/or the Purchaser's Financier and THEREAFTER this Agreement shall terminate and cease to be of any further effect and each party shall not have any claim against each other save and except for any antecedent breach; or
 - (ii) continue with this Agreement of which the Vendor shall at the Vendor's own costs and expense restore the Property to its original state and condition as at the date of the Purchaser's inspection of the said Property prior to the date of this Agreement and the Purchaser shall upon the Property completely restored to the satisfaction of the Purchaser pay the Balance Purchase Price to the Vendor and such time taken by the Vendor to restore the Property shall be excluded from the computation of the Completion Period or the Extended Completion Period, as the case may be.

18.4 Force Majeure

(a) Notwithstanding any provision to the contrary contained herein, either Party (hereinafter referred to as the “**Affected Party**”) shall not be in breach of its obligations under this Agreement or be liable for any loss or damage to the other Party for any failure or delay by the Affected Party in performing any of its obligations hereunder if such performance by the Affected Party is delayed, hindered or prevented due to: -

- (i) war (whether declared or not), hostilities invasion, act of foreign enemies, insurrection, revolution, rebellion, military or usurped power, civil war or acts of terrorism;
- (ii) natural catastrophe including but not limited to earthquakes, floods, storm, typhoon, landslide, tidal wave, tsunami, and subterranean spontaneous combustion or any operation of the force of nature, lightning and exceptionally inclement weather;
- (iii) break down or adverse weather (including but not limited to the monsoon);
- (iv) riot, commotion and disorders, criminal damage, sabotage, strike, lock out, labour unrest, other industrial disturbances;
- (v) infectious disease, contagious disease, pandemic or epidemic or any occurrence that is harmful to the parties herein or society or under Prevention and Control of Infectious Disease Act 1988;
- (vi) act of authority or government whether lawful or unlawful, compliance with any law or governmental order, rule, regulation or direction, curfew restriction, expropriation, seizure of works, requisition, nationalisation;
- (vii) general labor disturbance such as but not limited to boycott, strike and lock-out, go-slow, occupation of premises; and
- (viii) such other event beyond the reasonable control of the parties,

then the Completion Period shall be extended accordingly on the number of days delayed free of interest. If there is any inconsistency between this clause and other clause of this agreement, this clause shall prevail.

(b) For the purpose of clarification and for the avoidance of doubt, in the event the presentation receipt in respect of the Memorandum Transfer is issued within **seven (7) working days** from the date of presentation of the Memorandum of Transfer at the relevant land

office/registry, the date of its receipt of the presentation receipt in respect of the Memorandum of Transfer shall be deemed as the date of successful presentation. In the event it takes more than **seven (7) working days** for land office/registry to issue such presentation receipt, the day immediately after the expiry of the said **seven (7) working days** shall be deemed as the date of successful presentation.

- (c) In the event due to infectious disease, contagious disease, pandemic or epidemic the relevant land office/registry and/or the Parties' Solicitors' office is closed for sanitization resulting in certain obligation(s) of the Parties cannot be performed, the parties hereby agree that time shall be suspended during the period of such closure whereupon the calculation of the time for parties to perform the said obligation shall only recommence upon the expiry of such closure.

18.5 Continuing effect

Notwithstanding anything to the contrary herein this Agreement contained, all representations, warranties, covenants, agreements, undertakings and obligations under this Agreement shall continue to subsist for so long as may be necessary to give effect to each and every of them in accordance with the terms thereof.

18.6 Knowledge or acquiescence

Knowledge of or acquiescence by either Party of any breach of any of the terms, conditions or covenants herein this Agreement contained shall not operate as or be deemed to be a waiver of such terms, conditions or covenants or any of them and notwithstanding such knowledge or acquiescence, each Party shall be entitled to exercise its respective rights under this Agreement and to require strict performance by the other of the terms, conditions and covenants herein. No single or partial exercise of any right power or privilege by any Party shall preclude any other or further exercise thereof or the exercise of any other right power or privilege.

18.7 Notices

- (a) Any notice or other document to be given by either Party or their solicitors shall be in writing and deemed to be properly served if delivered by hand or sent by postal delivery or by facsimile transmission at their respective addresses or emailed to their respective solicitors (including electronic mail address) given herein.
- (b) Any notice set in the manner prescribed in Clause 18.7(a) above shall be deemed to have been served as follows: -

- (i) in the case of delivery by hand, on the date of receipt by the addressee thereof;
- (ii) in the case of postal delivery, **three (3) days** after the same shall have been delivered to the postal authorities for delivery by prepaid registered post; and
- (iii) in the case of facsimile transmission or electronic mail to the Purchaser's Solicitors or the Vendor's Solicitors, on the day of transmission or on the day the electronic mail was sent if a business day (i.e. not a Saturday or Sunday or public holiday in Kuala Lumpur and/or Selangor) or if not, on the next succeeding business day with the recipient's facsimile number shown on the sender's receipt of a confirmed log print-out for the transmission regarding the date, time and transmission of all pages of the notice(s).

18.8 Non-assignability

Save and except for the assignment by the Purchaser to the Purchaser's Financier, the rights or obligations of either Party under this Agreement shall not be assigned without the prior consent in writing of the other Party.

18.9 Binding effect of this Agreement

This Agreement shall be binding upon the heirs, estates, personal representatives, permitted assigns and/or the successors in title of the Parties.

18.10 Amendment and Modification

It is hereby expressly agreed that no amendment, modification, variation and/or alteration shall be made to this Agreement unless otherwise agreed and made in writing by the Parties hereto.

18.11 Severability

If at any time during the continuance of this Agreement, any of the provisions of this Agreement becomes invalid, void, prohibited, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

18.12 Execution and Counterpart

This Agreement may be executed in any number of counterparts or duplicates each of which shall be an original, but such counterparts or duplicates shall together constitute but one and the

same agreement and shall come into effect on the date first hereinabove mentioned irrespective of the diverse dates upon which the Parties may have executed this Agreement.

18.13 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the matters dealt with herein and this Agreement shall supersede any other agreement, letter, communication or correspondence (oral or written or expressed or implied) in connection with this sale and purchase transaction prior to the date of this Agreement.

18.14 Governing Law and Jurisdiction

This Agreement is governed by and is to be construed in accordance with the laws of Malaysia and any legal action or proceedings arising out of or in connection with this Agreement, the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of Malaysia.

18.15 Confidentiality

As from the date hereof, save to the extent that such disclosure may be required by law or public listing requirements, if applicable or to enable the relevant party to perform its obligations under the provisions of this Agreement and that the Parties hereto shall keep this transaction strictly confidential and may disclose the same to their respective officers, employees, agents, advisers or consultants for this Agreement and their respective company auditors on strictly need-to-know basis whom such parties shall ensure to be similarly bound by this undertaking of confidentiality and non-disclosure, each of the Parties hereto shall keep confidential and shall not disclose to any third party any terms of this Agreement or any documents referred to herein, or any proprietary or confidential information acquired from either of the Parties unless disclosure has been expressly permitted in writing by the other Party. Notwithstanding the aforesaid, the Parties hereby irrevocably consent and authorize the other party to carry out credit or reference checks on the other Party from any source including but not limited to credit information, from the Inland Revenue Authorities, Credit Tip-Off Service (CTOS), Insolvency Department, Companies Commission of Malaysia, any other credit reference or credit reporting agencies, any other public records, person, individual and/or entity, if the other Party shall deem it necessary for this sale and purchase transaction.

(The rest of this page has been intentionally left blank)

IN WITNESS WHEREOF the Parties have hereunto set their hands the day and year first above written.

SIGNED by the **VENDOR**
KIEN HENG HONG GINSENG SDN BHD
(Registration No.: 198801002646 (170003-P))
in the presence of:


.....
Advocate & Solicitor

VINCENT LAWRENCE
BC/V/37
ADVOCATE & SOLICITOR
KUALA LUMPUR

SIGNED by the **PURCHASER**
for and on behalf of
TARGET PRECAST INDUSTRIES SDN. BHD.
(Registration No.: 199301004014 (258751-X))
in the presence of:


.....
Advocate & Solicitor

YIN YI MENG
BC/Y/836
Peguambela & Peguamcara
Kuala Lumpur

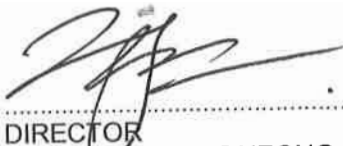
KIEN HENG HONG GINSENG SDN. BHD.

198801002646 (170003-P)
No. 43 Jalan Jalak, Taman Seri Bahtera
Cheras, 56100 Kuala Lumpur


.....
DIRECTOR
Name: CHUNG YUET MING
NRIC No.: 540701-10-5604

TARGET PRECAST INDUSTRIES SDN. BHD. (258751-X)

(Formerly Known As Target Fortune S/B)
No 18, Jalan LP 2A/2, Taman Lestari Perdana,
43300 Seri Kembangan, Selangor Darul Ehsan.
Tel: 03-8944 1388 Fax: 03-8941 7288


.....
DIRECTOR
Name: LOH SWEE KEONG
NRIC No.: 670812-08-6595

Appendix A

DATED THIS 21st DAY OF JANUARY 2026

TENANCY AGREEMENT

BETWEEN

(LANDLORD)

**KIEN HENG HONG GINSENG SDN BHD
(CO. NO. 198801002646 (170003-P))**

AND

(TENANT)

**TARGET PRECAST INDUSTRIAL SDN BHD
(CO.NO 199301004014 (258751-X))**

DEMISED PREMISES: GM 1034 LOT 1894 MUKIM CHERAS
DISTRICT HULU LANGAT SELANGOR

AGREEMENT

THIS TENANCY AGREEMENT IS made on 21st JANUARY 2026

BETWEEN : The party whose particulars are as stated in Part I of the First Schedule hereto
(hereinafter called "The Landlord") of the one part.

AND : The party whose particulars are as stated in Part II of the First Schedule hereto
(hereinafter called "The Tenant") of the one part.

WHEREAS the Landlord is the registered proprietor and/or beneficial owner of the property more particularly referred to and described in Part III of the First Schedule ("hereinafter referred to as "the Demised Premises").

AND WHEREAS the Landlord is desirous of renting out the Demised Premises and the Tenant is desirous of renting the said Demised Premises on an "as is where is" basis upon the terms and conditions herein set forth.

NOW IT IS HEREBY AGREED as follows: -

1. The Landlord lets and the Tenant takes the Demised Premises for the term stipulated in Part IV of the First Schedule at the rent stipulated in Part V of the First Schedule and subject to the terms and conditions hereinafter contained.
2. The Tenant shall upon execution of this Agreement pay the Landlord the sum stipulated in Part VI of the First Schedule by way of deposit as security for the due observance and performance by the Tenant of the stipulated terms and conditions of this Agreement. The said sum shall be maintained at this figure and not deemed or treated as payment of rent. The deposit shall be returned free of interest to the Tenant at the expiration of the term hereby created Provided Always that the Landlord shall be entitled to deduct therefrom such sum(s) as may then be due to the Landlord for damage caused to the Demised Premises by the Tenant under the provision of this Agreement.
3. The Tenant hereby covenants with the Landlord as follows: -
 - a. To pay the rent hereby reserved on the days and in the manner aforesaid.

- b. To pay the Landlord upon the execution of this Agreement the sum of Ringgit as specified in Part VII of the First Schedule only as deposit for electricity and water charges to be incurred during the tenancy of the Demised Premises. The said sum less sums as may then be payable by the Tenant under this Agreement shall be refunded without interest to the Tenant on the termination of this Tenancy.
- c. To pay the Goods and Services Tax (GST)/ Sales and Service Tax (SST) if applicable and any future government taxes, levy or outgoing imposed upon or in respect of all sums payable by the Tenant to the Landlord pursuant to this Agreement. During the term hereby, to pay any increase of rates or other impositions of a like nature by whatever name called over and above the amount of such rates or impositions levied or imposed as at the date of commencement of the term hereby created where such increase is due or attributed to an increase in the rates payable.
- d. To keep the Demised Premises, the flooring and interior plaster or other surface material or rendering on walls and ceilings and the Landlord's fixtures thereon including doors, windows, glass, roller shutters, locks, fastenings, electric wires, installations and fittings for the light and power and other fixtures and additions therein in good and tenable repair and clean condition and to replace or repair any part of the Demised Premises and the Landlord's fixtures and fittings therein which shall be broken or damaged due to malicious, negligent or careless acts or omission of the Tenant his servants, agents, invitees or otherwise and further that if any damage is caused to the Landlord or to any person whomsoever directly or indirectly through the said damaged condition of any part of the interior of the Demised Premises (including floorings, walls, ceilings, doors, windows and other landlord's fixtures) the Tenant shall be wholly responsible therefore and shall fully indemnify the Landlord against all claims, demands, actions and legal proceedings whatsoever made upon the Landlord by any person in respect thereof.
- e. To permit the landlord and the landlord's servants, agents and workmen and with all necessary equipment and appliances at all reasonable time after prior notice to the Tenant to enter upon the Demised Premises and to view the condition thereof and to do such works and things as may be required for any repairs, alterations or to any other part or parts of the said building and forthwith to repair and amend in a proper and workman like manner any defect for which the Tenant is liable and of which written notice shall be given to the Tenant or left in the Demised Premises and to pay the costs of the Landlord's surveyor or otherwise in respect of the preparation of the notice.
- f. Not to install in or place on the Premises or any floor in the Premises any item, fixture, fitting, plant or equipment which might overload the structure of any part of the Premises or which might otherwise cause structural stress or damage to the Premises or which might cause or contribute to or constitute a fire hazard or other hazard to the health and safety of any person or property.

- g. To use the Demised Premises only for the purpose specified in Part VIII of the First Schedule. The Tenant shall obtain and maintain at the Tenant's own cost and expense, all licenses, permits, approvals and other consents for carrying on the Tenant's business and at the request of the Landlord to produce the same for inspection.
- h. Forthwith to notify the Landlord in writing of any notices served by any competent authority and with all due speed to comply with the terms of the said notice as are effective and to keep the Landlord indemnified from and against all actions, costs, claims, demands and liability in respect thereof.
- i. Not to permit or suffer to be done in or upon the Said Premises or any part thereof of anything which may be or become a nuisance or annoyance or cause damage or inconvenience to the Landlord or to the tenants, occupiers or lessees of neighboring premises or for any illegal or immoral purpose. Not to make or permit to be made any alteration or addition or partition to the Demised Premises or to the Landlord's fixtures, fittings and decorations therein without having first obtained the written consent of the Landlord therefore and upon the determination of the term hereby created, if so requested by the Landlord, to restore the Demised Premises to its original state and condition at the expense of the Tenant.
- j. Not to assign, underlet, sublet or part with the actual or legal possession or the use of the Demised Premises for any term whatsoever without the previous consent in writing of the Landlord first obtained.
- k. Tenant shall not bring or store or permit or suffer to be brought or stored on the Demised Premises or any part of the Building arms ammunition or unlawful goods, gunpower, sulphate, kerosene or any goods which are of noxious, combustible substance or dangerous.
- l. Tenant shall return the Demised Premises back to the Landlord at the expiry of tenancy agreement in the original condition. If there is any renovation inside the premises, the Tenant must restore back to original condition.
- m. Not to do or permit to be done anything which will or may infringe or violate any laws or regulations pertaining to the Said Premises that may be imposed by the competent authority or authorities and to observe and to be personally responsible for any infringement or violation against such regulations rules or laws and to fully indemnify the Landlord in respect thereof.
- n. The Tenant shall be responsible for the insurance of Tenant's own belongings or property in the Said Premises against loss or damaged by fire, water (not limited to leakage or overflow from pipes or accidental discharged of the sprinkler systems), thefts, strikes, riots, civil commotion and such other envisaged risks as may be required by the Landlord at the Tenant's costs and expenses. The Landlord shall not be responsible for any damage or loss under all circumstances.

- o. Not to use or permit to be used on the Demised Premises for any illegal purpose.
- p. Not to install or caused to be installed in the said Demised Premises any heavy equipment or electrical appliances consuming high voltage without the prior written consent of the Landlord first had and obtained. In the even that the Tenant commits a breach of this covenant and as a result of which the Landlord suffers any loss or damage, the Tenant shall forthwith indemnify the Landlord against all such loss and damage.
- q. At the expiration or sooner determination of the tenancy to yield upon peaceably the Demised Premises with the fixtures, fittings and decorations thereto (other that the Tenant's fixtures) in a tenantable repair and condition, fair wear and tear expected.
- r. At all times during the term hereby created to comply with all such requirements as may be imposed on the Tenant by any ordinance or Act of Parliament now or hereafter in force and any orders, rules, regulations, requirements and notices thereunder.
- s. The Tenant shall bear the cost of electricity, water, sewerage mains (Indah Water), telephone (if any) and should be made payable direct to Tenaga Nasional Berhad, Jabatan Air, TM Point, post office outlets, any local bank counter or relevant authority. The Tenant shall pay, keep and filling the full payment electricity bill, water bill, Indah Water bill & telephone bill.
- t. Shall at all times indemnify and keep indemnified the Landlord against all actions, proceedings, claims, costs, charges, expenses and demands in respect of any injury to the person or damage to the property of family, guests, visitors, invitees or licenses of the tenant while in or upon the Demised Premises.
- u. Shall not cause, rubbish, waste, dirt, or debris of any sort to accumulate in and/or outside the Demised Premises, or cause an undesirable amount of noise which in the opinion of the Landlord is undesirable or unsuitable for the other Tenants or occupiers of the adjoining properties to the Demised Premises and not to place or leave in the entrance or passage or corridors adjoining the Demised Premises any waste or rubbish or thing which will obstruct the use of the same by others.
- v. At the times during the terms hereby created to comply with all such requirements as may be imposed on the Tenant by any ordinance or Act of Parliament now or hereafter in force and any orders, rules, regulation, requirements and notices there under.
- w. Not to carry out any of the following activities in the Demised Premises and shall at all times indemnify and keep indemnified the Landlord against all legal actions, prosecutions, proceedings, claims, costs, charges, expenses, compound, fine, demands and all other legal

consequences in respect of any illegal activities carried out by the Tenant in the Demised Premises:

- i. Illegal businesses or trades in connection with gambling or any immoral businesses.
- ii. Businesses or trades in connection with supply of items or services for funeral and such other funeral related services.
- iii. Businesses or trades for public entertainment and/or amusement or involving gaming in any form.
- iv. Businesses or trades in connection with or related to the supernatural and/or the occult.
- v. Setting up place of worship and prayer in respect of any cult religion or beliefs unless it is approved by government authorities and with the Landlord's written approval first being obtained.
- vi. Political activities, massage parlor or any related activities, social escort agency and brothels.
- vii. Hiring or harboring of illegal workers and/or foreigner without genuine passport/travel document/entry permit and allowing such person to enter and remain in the Demised Premises.

x. At any time during the two (2) calendar months immediately preceding to the expiration or earlier termination of this Tenancy as herein provided the Tenant shall permit the Landlord or his agents to affix and retain without interference upon any part of the Demised Premises a notice for the re-letting of the Demised Premises and shall permit intending Tenant(s) and other with authority from the Landlord or his agents at all reasonable time of the day to enter and view the Demised Premises.

y. Where repair of the main structure of the Demised Premises including roofing becomes necessary by reason of act, omission, negligence or willful default of the Tenant, the Tenant shall carry out such repair at the Tenant's own costs and expenses.

4. The Landlord hereby covenants with the Tenant as follows: -

- a. To pay the quit rent, assessment and maintenance fee imposed and payable in respect of the Demised Premises.
- b. At all times throughout the tenancy to insure and keep insured the Demised Premises but excluding the Tenant's fixtures fittings and chattels from loss or damage by fire and to pay all premiums necessary for that purpose.

- c. To permit the Tenant if he punctually pays the rent hereby reserved and other charges and observes the stipulations on his part herein contained to peacefully enjoy the Demised Premises without any interruption or disturbance by the Landlord or those lawfully claiming title under or in trust for them.

5. Provide always and it is hereby expressly agreed between both parties as follows: -

- a. If the rent hereby reserved or any part thereof shall at any time be unpaid for seven (7) days after the same shall have become due (whether formally demanded for or not) or any covenant on the Tenant's part herein contained shall not be performed or observed or if the Tenant shall have a receiving order made against him or shall have made any assignment for the benefit of his creditors or enter into any agreement or made any arrangement with his creditors by composition or otherwise or suffered any distress or attachment or execution to be levied against his good or if the Tenant for the time being shall be a company and shall go into liquidation whether compulsory or otherwise except for the purpose of reconstruction or amalgamation then and in any such case it shall be lawful for the Landlord at any time thereafter to re-enter upon the Demised Premises or any part thereof in the name of the whole and thereupon the tenancy shall absolutely determine but without prejudice to the right of action of the Landlord in respect of any antecedent breach of the conditions on the part of the Tenant herein contained.
- b. If the Demised Premises or any part thereof shall be destroyed or damaged by fire (except where such fire has been caused by the fault or negligence of the Tenant) so as to be unfit for occupation or use, then the rent hereby covenanted to be paid or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the Demised Premises shall again be rendered fit for occupation and use and provided always that nothing in this clause shall render it obligatory on the Landlord to restore, reinstate or rebuild the Demised Premises or any part thereof if the Landlord in his absolute discretion does not desire to do so in which even the Landlord shall be entitled to terminate this tenancy by two (2) months notice in writing to the Tenant and upon such termination neither party shall have any claim against the other save and except in respect of any antecedent breach.
- c. The Landlord shall at the written request of the Tenant made not less than two (2) months before the expiration of the term hereby created and if there shall not at the time of such request by any existing breach or non-observance of any of the covenants of the part of the Tenant herein to be performed at the Tenant's expenses grant to the Tenant tenancy of the Demised Premises for a further term and subject to the conditions stipulated in Part IX of the First Schedule.

6. Any notice or other document or writing required to be served delivered or given hereunder shall be sufficiently served if left addressed to the Tenant on the Demised Premises or sent to the Tenant by registered post addressed to the Tenant's last known address in Malaysia and any notice document or writing to the Landlord shall be sufficiently served if sent by registered post to the Landlord's last known address.
7. The cost of and incidental to the preparation and completion of this Agreement including stamp duty shall be paid by the Tenant.
8. The First Schedule and Inventory List (if any) shall be taken, read and construed as part of this Agreement.
9. In the event that the tenant fails to fulfill the tenancy period, the deposit sum shall be forfeited by the Landlord and the Tenant shall remain liable for the Rental of remaining months of the unexpired term.
10. In the event the Tenant has vacant the Demised Premises, the utility fees have to be fully settled. In failing to do so, the Landlord has right to take legal action.
11. Both the Landlord and the Tenant agreed that in the event that the Tenant fail or neglect to pay the rental for two (2) months, then the Landlord shall be entitled to padlock the Demised Premises and/or disconnect the utility supply to the Demised Premises. The Tenant shall not take any legal action against the Landlord when the Landlord padlocks the Demised Premises and/or disconnect the utility supply to the Demised Premises.
12. The Landlord shall not be liable for any damage, expense, loss or liability suffered or incurred by the Tenant or any other person, or any property or the effects or business of the Tenant, in respect of the operation or the failure of the electricity or water supply or any public utility services, facilities or other machinery provided by the Landlord or enjoyed by the Tenant in relation to Demised Premises.
13. Time wherever mention shall be the essence of the Agreement.
14. In this agreement, words importing the masculine gender only shall include feminine and neuter genders and vice versa.
15. In this agreement, words importing the singular number only shall include the plural and vice versa.
16. This Agreement shall be binding upon the successor-in-title and assigns personal representatives and heirs of the Landlord and the Tenant.

THE FIRST SCHEDULE

(which is to be taken read and construed as an essential part of this Agreement)

Part I

Landlord

Company Name : Kien Heng Hong Ginseng Sdn Bhd
Company Registration No : 198801002646 (170003-P)
Address : No.43 Jalan Jalak Taman Seri Bahtera Cheras 56100 Kuala Lumpur.
TIN No : C 4852385020
Contact : 03-9130 6277

Part II

Tenant

Company Name : Target Precast Industries Sdn Bhd
Company Registration No : 199301004014 (258751-X)
Address : No.18 Jalan LP 2A/2 Taman Lestari Perdana 43300 Seri Kembangan Selangor
TIN No : C6860127010
Contact : 03-8944 1388

Part III

Demised Land: GM 1034 Lot 1894 Mukim Cheras District Hulu Langat Selangor

Part IV

Term:

- 1) One (1) year commencing 01st February 2026 and expiring 31st January 2027
- 2) Monthly Rental as stated in Part V of the First Schedule with effect from 01st February 2026.

Part V

Monthly Rental : Forty Eight Thousand Five Hundred (RM 48500.00) only (Excluding SST) to be paid on the 01st day of every month but not later than 7 days during the Term to be banked into the Landlord's account as follow :

ACCOUNT HOLDER NAME : KIEN HENG HONG GINSENG SDN BHD
BANK NAME : MAYBANK
BANK ACCOUNT NO : 014-048-327261

Part VI Rental / Security Deposit : Ringgit Malaysia Ninety Seven Thousand (RM 97000.00) only

Part VII Utilities Deposit : Nil

Tenant to apply and register for Electricity, Water, Indah Water and other under Tenant Own Name.

Part VIII Use of Demised Land : Manufacturing, trading and warehousing of building materials.

Part IX Option to Renew for a Further Term of Two (2) years at prevailing market rate at the time of the renewal as the landlord and the tenant mutually agreed thereon, with at least three (3) months written notice in advance given by the Tenant to the Landlord before the expiry of the tenancy.

Part X Special Condition NIL

THE SECOND SCHEDULE

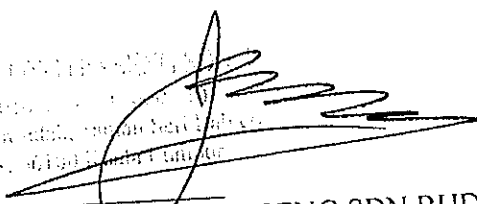
(which is to be taken and construed as an essential part of this Agreement)

SPECIAL EXPRESS CONDITIONS (Pursuant to in Clause (5) thereof)

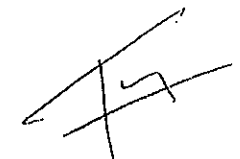
- (a) In the event that the Landlord's consent is given to the Tenant for the construction of any building or structure on the Land, the Tenant shall at its own cost and expense carry out such building or installation works with such materials and in accordance with such designs as shall be approved by the Landlord. Furthermore, the Tenant shall at its own cost and expense obtain all such necessary, planning and other consents or approvals pursuant to the provisions of any written law, bye-laws, rules regulations or order applicable thereto.
- (b) Any additional fee or premium payable to the relevant authorities for development or change of use of the Land by reason of the construction of any building or structure on the Land by the Tenant shall borne solely by the Tenant.
- (c) The Tenant shall also bear all additional quit rent and assessment payable on the Land by reason of the construction of any building or structure on the Land by the Tenant.

IN WITNESS WHEREOF the parties hereto have hereunto set their respective hands the day and year herein written.

SIGNED BY THE LANDLORD :-


NAME: KIEN HENG HONG GINSENG SDN BHD
(CO.NO. 198801002646 (170003-P))
CHUNG YUET MING
540701-10-5604

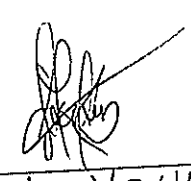
IN THE PRESENCE OF:-


NAME: Pang Lee Chen
(I.C.NO. 810314-14-5040)

SIGNED BY THE TENANT :-

TARGET PRECAST INDUSTRIES SDN BHD (258751-X)
(Formerly Known As Target Fortune Sdn)
No 18, Jalan LP 2A/2, Taman Lestari Perdana,
43300 Seri Kembangan, Selangor Darul Ehsan
Tel: 03-8944 1366 Fax: 03-8941 7289
CO NAME: TARGET PRECAST INDUSTRIES S/B
(CO NO. 199301004014 (258751-X))
NAME: LOH SWEET KEENY
I.C NO: 670212-08-6595

IN THE PRESENCE OF :-


NAME: Low Yew Kuan
(I.C.NO. 670202-10-6225)



KERAJAAN MALAYSIA

IBU PEJABAT
LEMBAGA HASIL DALAM NEGERI MALAYSIA
MENARA HASIL
PERSIARAN RIMBA PERMAI
CYBER 8, 63000 CYBERJAYA
SELANGOR DARUL EHSAN



ASAL

SIJIL SETEM

STAMP CERTIFICATE

(Sila lekatkan sijil setem ini ke atas surat cara sebagai bukti penyeteman)
Please attach this stamp certificate to the instrument as evidence of stamping

Cara Bayaran *Payment Method*No. Adjudikasi *Adjudication No.*Jenis Surat Cara
*Type Of Instrument*Tarikh Surat Cara
*Date Of Instrument*Balasan *Consideration*

FPX TRANSACTIONS

L01H9A8EBFXB016

PERJANJIAN SEWA
SURAT CARA UTAMA

21/01/2026

RM 0.00

Maklumat Pihak Pertama / Penjual / Pemberi *First Party / Vendor / Transferor / Assignor*

KIEN HENG HONG GINSENG SDN BHD. (170003-P, 198801002646)

Maklumat Pihak Kedua / Pembeli / Penerima *Second Party / Purchaser / Transferee / Assignee*

TARGET PRECAST INDUSTRIES SDN BHD. (258751-X, 199301004014)

Butiran Harta / Suratcara *Property / Instrument Description*

GM 1034 LOT 1894 MUKIM CHERAS DISTRICT HULU LANGAT, SERI KEMBANGAN, 43300, SELANGOR

Dengan ini disahkan surat cara ini disetem dan diindors seperti maklumat di bawah:
This is to certify this instrument is stamped and indorsed as below:

No. Sijil Setem <i>Stamp Certificate No.</i>	B0161A261905156
Tarikh Penyeteman <i>Date of Stamping</i>	24/01/2026
Duti Setem Dikenakan <i>Amount of Stamp Duty</i>	RM 2,328.00
Penalti <i>Penalty</i>	RM 0.00
Pelarasan <i>Adjustment</i>	RM 0.00
Jumlah Dibayar <i>Total Amount Paid</i>	RM 2,328.00
Indorsemen <i>Indorsement (Akta Setem 1949)</i>	Seksyen 37




Pemungut Duti Setem

No. Kelulusan Perbendaharaan *Treasury Approval No* - KK/BSKK/10/600-2/1/2(60)Tarikh Cetak *Printed Date* - 24/01/2026 11:19:51

Pengesahan ketulenan Sijil Setem ini boleh dipastikan di stamps.hasil.gov.my atau melalui aplikasi telefon pintar
The authenticity of this Stamp Certificate can be verified at stamps.hasil.gov.my or by mobile app

Ini adalah cetakan komputer dan tidak perlu ditandatangani
This is a computer generated printout and no signature is required

23 July 2026

The Board of Directors

WS-SK Target Group Limited
Room 1406-08, 14/F, Austin Tower,
No. 22 – 26, Austin Avenue, Tsimshatsui,
Kowloon, Hong Kong

Dear Sirs,

**Re: WS-SK Target Group Limited (the “Company”) and its subsidiaries
(hereinafter together referred to as the “Group”)**

Major Transaction – The Acquisition of the Land

We refer to the circular (the “Circular”) of the Company dated 23 July 2026 in relation to, among other things, the Acquisition. Terms used herein shall have the same meanings as defined in the Circular unless stated otherwise.

We have given and have not withdrawn our written consent to the issue of the Circular with the inclusion of our valuation report or opinions or advice and references to our names, in the form and context in which they appear.

We further confirm that, as at the Latest Practicable Date, we did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for any shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group.

We further confirm that, as at the Latest Practicable Date, we did not have any interest, directly or indirectly, in any assets which had been acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 May 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

We also consent to this letter and the valuation report as set out in Appendix I to the Circular being made available for inspection as described in Appendix III to the Circular.

Yours faithfully,

For and on behalf of
Laurelcap Sdn. Bhd.



Sr STANLEY TOH KIM SENG
BSc (Hons) Estate Management
MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM
Chartered Valuation Surveyor
Registered Valuer (V-927)

Laurelcap Sdn. Bhd.

200801005326 (806610-U)

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VALUATION CERTIFICATE

Date : 23 July 2026
Our Ref No. : LC/VAL/26/022160/WST-CV

PRIVATE & CONFIDENTIAL

BOARD OF DIRECTORS

Target Precast Industries Sdn. Bhd.
No. 18, Jalan LP 2A/2,
Lestari Perdana,
43300 Seri Kembangan,
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF A PARCEL OF INDUSTRIAL LAND ERECTED WITH TEMPORARY BUILDINGS AND STRUCTURES THEREON BEARING POSTAL ADDRESS LOT 1894, JALAN KPB 5, KAWASAN PERUSAHAAN BALAKONG, 43300 SERI KEMBANGAN, SELANGOR DARUL EHSAN HELD UNDER TITLE NO. GERAN MUKIM 1034, LOT NO. 1894, TEMPAT BATU 12, JALAN SUNGAI BESI — CHERAS, MUKIM OF CHERAS, DISTRICT OF ULU LANGAT, STATE OF SELANGOR (HEREINAFTER REFERRED TO AS THE "SUBJECT PROPERTY")

INSTRUCTION AND VALUATION DATE

We refer to the instructions by Target Precast Industries Sdn. Bhd. (the "Company") to provide an opinion on the Market Value of the abovementioned Subject Property in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "HKEX").

In accordance with your instructions to value the Subject Property, we confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the property interest as at 18 June 2026 (the "Valuation Date").

VALUATION STANDARDS

The valuation had been carried out in accordance with the Growth Enterprise Market (GEM) Listing Rules (including but not limited to Chapter 8 — Valuation of and Information on Properties) issued by HKEX, the International Valuation Standards (the "IVS") issued by the International Valuation Standards Council (the "IVSC") and the Malaysian Valuation Standards (the "MVS") issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (the "BOVAEP") and with the necessary professional responsibility and due diligence.

Laurelcap Sdn. Bhd.

200801005326 (806610-U)

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Breach of relevant laws & rules in respect of the Subject Property

As at the material date of valuation, there is no material breach of relevant laws, regulations, rules and requirements including but not limited to environmental regulations in relation to the Subject Property.

VALUATION BASIS

The basis of valuation adopted is the Market Value which is defined by the MVS and IVS to be *"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."*

VALUATION METHODOLOGY

We have adopted only one method of valuation. We are of the opinion that the comparison approach is the best and only approach in this instance, as a result of the following factors: -

- a. There are ample comparable transactions of land with similar size and tenure within the vicinity of the Subject Property, in order to establish a consistent pattern of values.
- b. There is no approved Development Order or any development planning approval granted by the Local Council as at the date of valuation. Thus, the Residual Method would not be a suitable method of valuation in this instance.
- c. There is a lack of reliable evidence of concluded rental transactions for vacant industrial land within the vicinity of the Subject Property. Although asking rental rates are available, these remain subject to negotiation and may not accurately reflect the final transacted rental levels. Consequently, the available rental evidence lacks consistency and reliability for the purpose of deriving a representative market rental. In view of the absence of sufficient and dependable rental evidence, the Investment Method is considered inappropriate for this valuation.
- d. The lands within the vicinity of the Subject Property are mainly for own use rather than for investment purposes. Therefore, the Investment Method is not applicable in this case.

The Comparison Approach involves comparing the Subject Property with recently transacted properties of a similar nature or offers for sale of similar properties in the area. Adjustments are then made to the dissimilarities between the comparables and the Subject Property in order to arrive at a common basis for comparison.

TITLE INVESTIGATION

We have been shown the land title document relating to the property interests and have also made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the countries and any material encumbrance

that might be attached to the property interests or any tenancy amendment. We have reviewed and considered the legal opinions issued by the legal advisors of the relevant countries given by our Company's legal advisors concerning the validity of the property interests in these countries.

We have carried out detailed measurements to verify the correctness of the areas in respect of the Subject Property and we have verified that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

INSPECTION AND INVESTIGATIONS

We have inspected the exterior and the interior of the Subject Property. No tests were carried out on any of the services.

Inspection of the Subject Property was carried out on 18 June 2026 by the following Executive Director and Valuation Executive from Laurelcap Sdn. Bhd.:

- i. Sr Stanley Toh Kim Seng, an Executive Director of Laurelcap Sdn. Bhd. and a Registered Valuer of The Board of Valuers, Appraisers, Estate Agents & Property Managers, Malaysia (BOVAEP), a member of Royal Institution Surveyors Malaysia (RISM) and a member of Royal International Chartered Surveyors (RICS); and
- ii. Mr Wong Sek Thung, a Valuation Executive of Laurelcap Sdn. Bhd.

We have no reason to doubt the truth and accuracy of the information provided to us by our Company. We have also sought confirmation from our Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Ringgit Malaysia (RM).

Our valuation is summarized below and the valuation certificate is attached.

Yours faithfully,
For and on behalf of Laurelcap Sdn. Bhd.



Sr STANLEY TOH KING SENG
BSc (Hons) Estate Management,
MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM
Registered Valuer (V-927)
Executive Director

VALUATION CERTIFICATE

Property interests in Malaysia

Property (Address)	Description and tenure	Particulars of occupancy	Market Value in existing state as at 18 June 2026 RM
Lot 1894, Jalan KPB 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan	The Subject Property is a parcel of industrial land erected with temporary buildings and structures thereon. The land resembles a rectangular shaped parcel of land encompassing a surveyed land area of approximately 8,093.70 sq.m (about 87,140.59 sq.ft. or 2.00 acres). It is generally flat and levelled with the frontage road of Jalan KPB 5. Infrastructure in the form of electricity water, telecommunication lines, drainage and sewerage are readily available and can be connected to the Subject Property. The land is held under grant in perpetuity and is identified as Geran Mukim 1034, Lot No. 1894, Tempat Batu 12, Jalan Sungai Besi — Cheras, Mukim of Cheras, District of Ulu Langat, State of Selangor. It is located within an area zoned for industrial use.	The Subject Property is currently tenanted by Target Precast Industries Sdn. Bhd. for manufacturing and processing of precast concrete purposes.	24,000,000.00

Notes:

- The valuation and this certificate were prepared by Sr STANLEY TOH KIM SENG BSc (Hons) Estate Management MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM Registered Valuer (V-927) and Mr WONG SEK THUNG BSc (Hons) Applied Sciences Mathematics and Economics GradRISM, ICVS, MBVAM Probationary Valuer (PV-3337).
- Details of the Title Search of the property dated 22 June 2026 is shown below: -

Title No.	:	Geran Mukim 1034
Lot No.	:	Lot 1894
Tempat	:	Batu 12, Jalan Sungai Besi — Cheras
Bandar/Pekan/Mukim	:	Mukim Cheras
District	:	Ulu Langat
State	:	Selangor
Surveyed Land Area	:	8,093.70 sq.m. (about 87,140.59 sq.ft. or 2.00 acres)
Tenure	:	Grant in perpetuity
Quit Rent	:	RM2,655.00 per annum
Category of Land Use	:	"Industri" (<i>Translation: Industrial</i>)
Express Condition	:	"Bangunan Perindustrian" (<i>Translation: Industrial Building</i>)
Restriction In Interest	:	Nil
Registered Owner	:	Kien Heng Hong Ginseng Sdn. Bhd. (1/1 share)
Charge/Encumbrance ^{*Note (1)}	:	(i) One (1) charge to Public Bank Berhad vide Presentation No. 061SC7449/2010 dated on 23 June 2010. (ii) One (1) charge to Public Islamic Bank Berhad vide Presentation No. 061SC6674/2019 dated on 07 October 2019.

(iii) One (1) charge to Public Islamic Bank Berhad vide Presentation No. 061SC6673/2019 dated on 07 October 2019.

Endorsement^{*Note (2)}

One (1) private caveat entry by Public Bank Berhad vide Presentation No. 061B2349/2010 dated on 20 April 2010.

*Note: (1)& (2)

Pursuant to Recital E of the Sale and Purchase Agreement (SPA) made between Kien Heng Hong Ginseng Sdn. Bhd., (the "Vendor") and Target Precast Industries Sdn. Bhd. (the "Company") dated on 10 July 2026, the Vendor has agreed to sell and the Company has agreed to purchase the Subject Property on an "as is where is" basis as at the date of inspection. While the Subject Property is currently subject to the Vendor's Financier's Charges as disclosed in Recital C of the SPA, pursuant to Clause 6.2 and Clause 6.3 of the SPA, the Balance Purchase Price will be first utilized to fully redeem the Property and discharge the existing charges. Upon completion, the Subject Property will be delivered to the Purchaser free from all caveats, liens, charges and encumbrances in accordance with Clause 8.1 of the SPA, following which a new charge will be registered in favour of the Purchaser's Financier pursuant to Clause 7.1 of the SPA.

3. General description of the property is shown below: -

Location : The Subject Property is situated along Jalan KPB 5 within Kawasan Perindustrian Balakong (Balakong Industrial Park), Selangor. It is approximately 22.00 kilometres due south and 12.00 kilometres due north west of Kuala Lumpur City Centre and Kajang town centre respectively. Major connecting roads servicing the areas are Kajang Dispersal Link Expressway (SILK) Cheras Link, Sungai Besi Expressway (BESRAYA), Cheras Kajang Expressway (CKE) and Kuala Lumpur Seremban Expressway.

Surrounding Area : The Subject Property is located within an area designated for industrial use. The industrial estate mainly consists of individually designed factories.

4. The Subject Property is situated in an area ripe for development, as evidenced by the numerous individually designed factories within the industrial estate.
5. As at the date of valuation, there are no planning permission and/or building plan submitted to the local authorities. All development approvals are subject to the compliance with the planning guidelines issued by the relevant local authorities and by-laws. Depending on the development components, construction of roadways, pathways, drainage, sewage and other facilities or services for public use may be required.
6. The temporary buildings and structures erected on site belongs to the Company, which is presently renting from the landowner. As such, we have attributed no material value to those improvements in arriving at the Market Value of the Subject Property.
7. The tenancy is based on a term of two (2) years, commencing on 01 February 2026 and expiring on 31 January 2027, with an option to renew for a further term of two (2) years with the monthly rental of Ringgit Malaysia (RM) 48,500.00.
8. The Company will continue its existing operations on the Subject Property upon completion of the transaction. The Company has confirmed that there are currently no plans to undertake any construction, renovation, improvement, development or the change of use on the Subject Property.
9. In arriving at the Market Value of the Subject Property, three (3) relevant industrial land transactions within the vicinity have been identified and adjustments are made to the dissimilarities between the comparables and the Subject Property.
10. The three (3) sales evidence compiled for this valuation exercise were exhaustive and gathered based on similarities with the Subject Property in terms of the following characteristics: -
 - a. Property Type: Industrial land
 - b. Location: Within 4.00-kilometre radius
 - c. Transaction Date: Less than three (3) years from the date of valuation

11. Recent transactions of industrial lands of similar nature within the neighbourhood which are pertinent to substantiate a value indication for the subject are reviewed and these sales are listed below.

COMPARABLES	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Source	Valuation and Property Services Department, Malaysia	Valuation and Property Services Department, Malaysia	Valuation and Property Services Department, Malaysia
Description	A parcel of industrial land	A parcel of industrial land	A parcel of industrial land
Identification of the Land	Lot 3375, Jalan Perusahaan Utama, Taman Industri Selesa Jaya, Cheras, Selangor	Lot 1062 (PT 37925), Jalan Simpang Balak, Kawasan Perindustrian Sungai Balak, Cheras, Selangor	Lot PT 49577, Jalan JKB 2/15, Off Jalan Balakong, Cheras, Selangor
Transaction Date	02 April 2024	24 February 2025	05 February 2026
Category of Land Use	Industrial	Industrial	Industrial
Zoning	Industrial	Industrial	Industrial
Vendor	Malaysian Aluminium And Brass Industries Sdn. Bhd.	Panlatin Sdn. Bhd.	Aseana Development Sdn. Bhd.
Purchaser	Actmax International Holdings Sdn. Bhd.	Zeito Plastic Components Sdn. Bhd.	Wing Hin Industries Sdn. Bhd.
Tenure	Grant in perpetuity	Leasehold for 99 years expiring on 04 December 2096, leaving an unexpired term of approximately 71 years as at the date of transaction.	Grant in perpetuity
Land Area	155,179.92 square feet (3.56 acres)	49,136.05 square feet (1.13 acre)	134,700.70 square feet (3.09 acres)
Consideration	RM36,900,000.00	RM10,318,493.00	RM28,960,284.00
Analysis	RM237.95 p.s.f.	RM210.00 p.s.f.	RM215.00 p.s.f.
Adjustments	Adjustments have been made for location, size, access, terrain and tenure		
Adjusted Land Value	RM261.57 p.s.f.	RM252.00 p.s.f.	RM279.50 p.s.f.
FACTORS	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Identification of the Land	Lot 3375, Jalan Perusahaan Utama, Taman Industri Selesa Jaya, Cheras, Selangor	Lot 1062 (PT 37925), Jalan Simpang Balak, Kawasan Perindustrian Sungai Balak, Cheras, Selangor	Lot PT 49577, Jalan JKB 2/15, Off Jalan Balakong, Cheras, Selangor
Land Area	155,179.92 square feet (3.56 acres)	49,136.05 square feet (1.13 acre)	134,700.70 square feet (3.09 acres)
Transaction Date	02 April 2024	24 February 2025	05 February 2026
Consideration	RM 36,900,000.00	RM 10,318,493.00	RM 28,960,284.00
Analysis	RM 237.95 p.s.f.	RM 210.00 p.s.f.	RM 215.00 p.s.f.

Factors of Adjustment						
A. Time	0.00%	The comparable was transacted in 2024 which is about two (2) years from the date of valuation. Therefore, no adjustment has been made for this factor.	0.00%	The comparable was transacted in 2025 which is about one (1) year from the date of valuation. Therefore, no adjustment has been made for this factor.	0.00%	The comparable was transacted in 2026 which is similar year from the date of valuation. Therefore, no adjustment has been made for this factor.
Value After Time Adjustment	RM 237.95 p.s.f.		RM 210.00 p.s.f.		RM 215.00 p.s.f.	
B. Location	5.00%	This comparable is located in Selesa Jaya Industrial Estate, about 3.00 kilometres due south east of the Subject Property. As the Subject Property is in a more established industrial area with a stronger business environment, a 5.00% upward adjustment is applied to the comparable.	5.00%	The comparable is located in Simpang Balak Industrial Estate, about 7.00 kilometres due south east of the Subject Property. As the Subject Property is located in a more established industrial area with stronger demand and business activities, a 5.00% upward adjustment is applied to the comparable.	5.00%	The comparable is located in Balakong Industrial Estate, about 2.00 kilometres due east of the Subject Property. Although both properties are within the same industrial estate, the comparable is located in a less favourable area due to the surrounding residential area of Kampung Baru Balakong, which results in a weaker industrial environment. Therefore, a 5.00% upward adjustment is applied to the comparable.
C. Size	5.00%	This comparable has a larger land area of about 3.56 acres, compared to the Subject Property's 2.00 acres. As larger land parcels are generally sold at a lower price per square foot, a 5.00% upward adjustment is applied to the comparable.	-5.00%	The comparable has a smaller land area of about 1.13 acres compared to the Subject Property's 2.00 acres. As smaller land parcels generally transact at a higher price per square foot, a 5.00% downward adjustment is applied to the comparable.	5.00%	The comparable has a larger land area of about 3.09 acres compared to the Subject Property's 2.00 acres. As larger land parcels generally transact at a lower price per square foot, a 5.00% upward adjustment is applied to the comparable.

Factors of Adjustment						
D. Accessibility	0.00%	The comparable has a wide access road that is suitable for industrial use, similar to the Subject Property. Therefore, no adjustment is made.	10.00%	The comparable is served by a narrower access road than the Subject Property, resulting in less suitable access for heavy vehicles and industrial use. Therefore, a 10.00% upward adjustment is applied to the comparable.	10.00%	The comparable is served by a narrower access road than the Subject Property, resulting in less suitable access for heavy vehicles and industrial use. Therefore, a 10.00% upward adjustment is applied to the comparable.
E. Terrain	0.00%	The comparable is level with the frontage road, similar to the Subject Property. Therefore, no adjustment is made.	0.00%	The comparable is level with the frontage road, similar to the Subject Property. Therefore, no adjustment is made.	10.00%	The comparable is located on land that is lower than the frontage road, while the Subject Property is level with the road. Therefore, a 10.00% upward adjustment is applied to the comparable.
F. Tenure	0.00%	Both the Comparable and Subject Property holds a freehold tenure. Therefore, no adjustment is made.	10.00%	The Subject Property is freehold tenure compared to the comparable, which has an unexpired term of about 71 years at the transaction date. Therefore, a 10.00% upward adjustment is applied to the comparable.	0.00%	Both the Comparable and Subject Property holds a freehold tenure. Therefore, no adjustment is made.
Total Adjustment	10.00%		20.00%		30.00%	
Adjusted Value	RM 261.57 p.s.f.		RM 252.00 p.s.f.		RM 279.50 p.s.f.	

After the aforesaid adjustments were made, the adjusted value p.s.f. range from RM252.00 p.s.f. to RM279.50 p.s.f.. The total adjustments among the comparable ranges from 10.00% to 30.00%.

Taking into consideration of the differences of the Subject Property and the comparables, we have adopted Comparable 3 as the most appropriate comparable due to the following characteristics: -

- (a) It is the latest transacted data;
- (b) It is located nearest to the Subject Property; and
- (c) Both are grant in perpetuity in tenure.

From the above analysis, we have adopted a value p.s.f. after adjustment of RM279.50 p.s.f..

SK TARGET GROUP LIMITED 瑞強集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：8427



Environmental, Social and Governance Report
環境、社會及管治報告

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1. ABOUT THE REPORT

關於報告

This is the Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”) of SK Target Group Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**” or “**We**”). The ESG Report summarises the efforts and achievement made by the Group in sustainability and social responsibility. Please refer to the “Corporate Governance Report” on pages 35 to 56 of the Annual Report of 2023 for the information of corporate governance.

1.1 SCOPE OF THE REPORT

The ESG Report focuses on the sustainability approach and performance of the Group in the environmental and social aspects between 1 June 2022 and 31 May 2023 (the “**Year**”). The environmental key performance indicators (“**KPIs**”) as disclosed in the ESG Report are based on the performance of the Group’s headquarters, a rental hostel for our employees and two production plants in Malaysia during the Year. The scope is determined based on whether the Group has operational control over the entity, and whether the entity has a material influence on the Group’s performance or assets. The Group will continue to strengthen information collection in order to enhance the environmental realm and disclosure of information on the sustainable development.

1.2 REPORTING FRAMEWORK

The ESG Report was prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (the “**Guide**”) under Appendix 20 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (“**HKEX**” or the “**Stock Exchange**”) and in compliance with the mandatory disclosure requirements and “comply or explain” provisions thereof.

此為瑞強集團有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」或「**我們**」)環境、社會及管治(「**ESG**」)報告(「**本報告**」)。本報告概述本集團於可持續發展及社會責任方面所作出的努力及成果。有關企業管治的資料，請參閱二零二三年年報第35至56頁「企業管治報告」。

1.1 報告範圍

本報告專注於二零二二年六月一日至二零二三年五月三十一日期間(「**本年度**」)本集團在環境及社會方面的可持續發展方針及表現。本報告所披露的環境關鍵績效指標(「**關鍵績效指標**」)乃以本年度本集團總部、一間為僱員租賃的宿舍及兩間位於馬來西亞的生產廠房的表現為基礎。該範圍乃根據本集團是否對該實體擁有營運控制權及該實體是否對本集團的表現或資產有重大影響而釐定。本集團將繼續加強資料搜集，以促進環保，並披露有關可持續發展的資料。

1.2 報告架構

本報告乃根據香港聯合交易所有限公司(「**聯交所**」)GEM證券上市規則附錄20「環境、社會及管治報告指引」(「**指引**」)編製，並遵守其強制披露規定及「不遵守就解釋」條文。

1. ABOUT THE REPORT

關於報告

1.3 REPORTING PRINCIPLES

In preparing this report, we meet the three reporting principles stipulated in the Guide – “materiality”, “quantitative” and “consistency”.

Materiality

The content of the ESG Report is determined through stakeholder engagement and materiality assessment process, which includes identifying ESG-related issues, collecting and reviewing the management and stakeholders’ opinions, assessing the relevance and materiality of the issues and preparing and validating the information reported. The ESG Report covers all key issues that are concerned by different stakeholders.

Quantitative

Quantitative KPIs are disclosed in the ESG Report so that stakeholders are able to have a comprehensive understanding of the Group’s ESG performance. Information of the standards, methodologies, references and source of key emission and conversion factors used on these KPIs are stated wherever appropriate.

Consistency

To enhance and maintain the comparability of the ESG Report between years, the Group adopts consistent reporting and calculation methodologies as far as practicable. In case of any changes in methodologies and specific standards, explanation has been provided in corresponding sections to facilitate information interpretation.

1.4 INFORMATION AND FEEDBACKS

For detailed information about the environmental, social and corporate governance of the Group, please refer to the official website (www.sktargetgroup.com). Your opinions will be highly valued. If you have any advice or suggestions, please email to enquiry@targetprecast.com.

1.3 報告原則

於編製本報告過程中，我們符合指引規定的三項報告原則–「重要性」、「量化」及「一致性」。

重要性

本報告的內容是通過持份者參與和重要性評估程序而釐定，當中包括識別環境、社會及管治的相關議題、收集和審視管理層和持份者的意見、評估不同議題的相關性和重要性、以及編製和驗證所匯報的資料。本報告涵蓋不同持份者關注的所有關鍵議題。

量化

本報告中披露經量化的關鍵績效指標，讓持份者全面瞭解本集團的環境、社會及管治表現。有關主要排放標準、方法、參考數據及來源的資料，以及該等關鍵績效指標所用的轉換因子，將於適當位置列示。

一致性

為加強及保持本報告與不同年度的比較性，本集團已在合理可行情況下盡量採用一致的報告及計算方法。如方法及具體標準有所變更，相應章節已提供說明，以便解讀資訊。

1.4 資料及意見

有關本集團環境、社會及企業管治的詳盡資料，請參閱官方網站 (www.sktargetgroup.com)。我們高度重視閣下的意見。倘閣下有任何意見或建議，請以電郵方式發送至 enquiry@targetprecast.com。

2. ABOUT US

關於我們

The Group is headquartered in Malaysia and is principally engaged in manufacturing and selling precast concrete telecommunication junction boxes and precast concrete electrical junction boxes, which are used mainly in telecommunication and electrical infrastructure upgrade and expansion works as well as construction projects in Malaysia. In comparison to traditional cast-in-situ junction boxes, a precast one can achieve higher time effectiveness, cost efficiency and structural specifications. Due to the aforementioned advantages, the Group has accumulated a wide range of customers such as infrastructure companies, construction companies, mechanical or electrical contractors and sub-contractors in Malaysia who participate in telecommunication or electrical infrastructure projects. To complement our core business, the Group also trades junction box accessories and pipes and offers mobile crane rental and ancillary services such as uplifting services for our precast concrete junction boxes. Thanks to the concerted efforts made by everyone in the Group, the Group was listed on the GEM Board of the Stock Exchange on 19 July 2017.

本集團總部設於馬來西亞，主要從事製造及銷售預製混凝土電信接線盒及預製混凝土電力接線盒，產品主要用於馬來西亞的電信及電力基建升級及擴張工程以及建設項目。相較傳統現澆接線盒，預製接線盒可達致較高時間效益、成本效益及結構規格。基於上述優勢，本集團已累積廣泛的客戶，如參與電信或電力基建項目的馬來西亞基建公司、建築公司、機械或電力承包商及分包商。為配合我們的核心業務，本集團亦買賣接線盒配件及管道，並提供移動式起重機租賃及配套服務，如我們的預製混凝土接線盒的起重服務。憑藉本集團全員の同心協力，本集團於二零一七年七月十九日在聯交所GEM上市。

3. BOARD STATEMENT

董事會聲明

The Group believes that well-established ESG governance principles, strategies and practices are crucial to the long term development of its business, especially in increasing investment values and returns. In order to ensure the establishment of appropriate and effective ESG risk management measures and internal control systems, the Board of Directors (the “**Board**”) has taken up the responsibility to govern and oversee the Group’s ESG issues and its development, which the Board has had a set of well-defined duties and responsibilities to oversee the Group’s ESG related measures.

The Board is responsible for monitoring the Group’s ESG strategies and reporting, ensuring that the requirements from the Board are met. Furthermore, the Board monitors and reviews the Group’s compliance status of ESG-related laws and regulations by external regulatory bodies, such as The Stock Exchange of Hong Kong Limited. Regular Board meetings are hosted regularly to help understanding the progress, targets and goals on ESG-related performances.

During the Year, the Board has assigned third-party ESG professionals for managing the ESG performance of the Company. The Board has identified potential and material issues to the business and its stakeholders, with the assistance from third-party ESG professionals. The Board has also taken part in the materiality assessment as one of the key stakeholders of the company in providing constructive opinions on the materiality of ESG issues. Upon the materiality assessment results being reviewed and validated, the board will set goals and targets on ESG performance with reference to the Group’s most material issues to its business and stakeholders.

本集團深信完善的ESG之管治原則、策略以及實踐對業務的長遠發展至關重要，尤其是在提高投資價值和回報方面。為確保建立適當有效的ESG風險管理措施及內部監控系統，董事會（「**董事會**」）已肩負起管治及監督本集團的ESG議題及其發展情況的責任。董事會擁有一套明確的職責及責任來監管本集團的ESG相關措施。

董事會負責監控本集團ESG策略及報告，確保符合董事會的要求。此外，董事會監控及檢討本集團遵守香港聯合交易所有限公司等外部監管機構所頒佈ESG相關法律法規的情況。董事會定期舉辦董事會會議，以幫助了解ESG相關表現的進展、目標及目的。

於本年度，董事會已委派第三方ESG專業人員管理本公司的ESG表現，並在第三方ESG專業人員的協助下識別業務及其持份者的潛在重大議題。董事會作為本公司的主要持份者之一亦參與重要性評估，就ESG議題的重要性提供建設性意見。於審閱及驗證重要性評估結果後，董事會將參考本集團對其業務及持份者最重要的議題，制定ESG表現的目標及指標。

4. STAKEHOLDER ENGAGEMENT

持份者參與

Understanding and taking action towards stakeholders' concerns and expectations is essential to our sustainability development. Therefore, we actively engage with stakeholders to help us recognise our sustainability performance and understand the impacts by our sustainability policies and measures. We have established various communication channels so that comments and feedback from major stakeholders are effectively and timely addressed.

The following table summarises the main expectations and concerns of the key stakeholders as identified by the Group, and the corresponding management responses.

瞭解持份者的關注及期望並採取應對行動，對我們的可持續發展至關重要。因此，我們積極與持份者合作以幫助我們認識我們在可持續發展方面的表現並瞭解我們可持續發展的政策和措施帶來的影響。我們已設立多項溝通渠道，藉此有效且及時地處理主要持份者的意見及反饋。

下表概述本集團所識別的關鍵持份者的主要期望與關注，以及相應的管理層回應。

Stakeholders 持份者	Expectations and Requirements 期望及要求	Means of Communication and Response by the Group 本集團的溝通及回應方式
Government and Regulators 政府及監管機構	- Compliance with national policies, laws, accounting standards, and regulations 遵守國家政策、法律、會計準則及法規 - Tax payment in full and on time 按時足額納稅 - Safe production 安全生產	- Regular information reporting 日常信息披露 - Regular meetings with regulators and relevant bodies 定期與監管機構及相關方舉行會議 - Examination and inspection 檢查及檢驗
Shareholders 股東	- Returns 回報 - Compliant operations 合規經營 - Rise in company value 提升公司價值 - Transparency and effective communication 資訊透明度及有效的溝通	- Shareholder conferences 股東會議 - Announcements 公告 - Emails, telephone communications and company website 電子郵件、電話通訊及公司網站 - Dedicated reports 專用報告

4. STAKEHOLDER ENGAGEMENT

持份者參與

Stakeholders 持份者	Expectations and Requirements 期望及要求	Means of Communication and Response by the Group 本集團的溝通及回應方式
Business Partners 業務合作夥伴	Operation with integrity 誠信經營	Internal reviews and appraisal meetings 內部評審及評估會議
Customers 客戶	- Outstanding products and services 優質產品及服務 - Health and safety 健康與安全 - Operation with integrity 誠信經營	- Customer service center and hotlines 客戶服務中心和熱線 - Customer satisfaction surveys 客戶滿意度調查 - Social media platforms (e.g. email communication) 社交媒體平台（如電子郵件通信）
Environment 環境	- Compliant emissions 合規排放 - Environmental protection 環境保護	- Communication with local environmental departments 與當地環境部門的溝通 - ESG Reporting 環境、社會及管治報告
Industry 行業	- Establishment of industrial standards 建立行業標準 - Drive industry development 促進行業發展	Joining industry-related associations and forums 加入行業相關協會及論壇

4. STAKEHOLDER ENGAGEMENT

持份者參與

Stakeholders 持份者	Expectations and Requirements 期望及要求	Means of Communication and Response by the Group 本集團的溝通及回應方式
Employees 僱員	- Protection of rights 權益維護 - Occupational health 職業健康 - Remunerations and benefits 薪酬及福利 - Career development 職業發展 - Humanity cares 人文關懷	- Employee communication meetings 僱員溝通會議 - House journal and intranet 內部日誌和內部網 - Training and workshop 培訓及工作坊 - Employee activities 僱員活動
Community and the public 社區及公眾	- Enhancement of community environment 改善社區環境 - Participation in charity 參與慈善 - Information transparency 資訊透明度	- Company website 公司網站 - Announcements 公告 - Social media platforms 社交媒體平台

4. STAKEHOLDER ENGAGEMENT

持份者參與

4.1 MATERIALITY ASSESSMENT

In view of the relevance and validity of the ESG Report with the Group's environmental and social performance, the Group has conducted a materiality assessment to identify ESG issues that are material to the business of the Group and its stakeholders. The assessment is based on stakeholder surveys, materiality maps provided by well-known external institutions¹, as well as professional opinions from the third-party ESG professional. The material ESG issues as identified are shown as follows:

Aspects

層面

Environment

環境

Labour Practices

勞工常規

Operating Practices

營運常規

4.1 重要性評估

鑒於本報告與本集團的環境及社會表現的相關性及有效性，本集團已進行重要性評估以識別對本集團業務及其持份者屬重要的環境、社會及管治議題。評估乃基於持份者調查、著名的外部機構提供的重要性圖譜¹、以及第三方環境、社會及管治專業人士的專業意見作出。所識別的重要環境、社會及管治議題列示如下：

Material Issues

重要議題

GHG emissions

溫室氣體排放

Air pollutant emissions

空氣污染物排放

Energy management

能源管理

Water & wastewater management

水及廢水管理

Waste & hazardous materials management

廢棄物及有害物質管理

Labor management

勞工管理

Occupational health and safety

職業健康與安全

Product quality & safety

產品質量與安全

Operation management

營運管理

Anti-corruption

反貪污

¹ The materiality maps referenced in the materiality assessment include the ESG Industry Materiality Map and the SASB Materiality Map produced respectively by MSCI and the Sustainability Accounting Standards Board ("SASB").

¹ 重要性評估中所提述的重要性圖譜包括由MSCI及可持續發展會計準則委員會(「SASB」)分別編製的環境、社會及管治行業重要性圖譜及SASB重要性圖譜。

5. PROTECTING OUR ENVIRONMENT

保護環境

5.1 ENVIRONMENTAL PRINCIPLES

The Group is committed to promoting green operations and taking the social responsibility of protecting the environment. We have set up the environmental goals as follows:

5.1 環保原則

本集團致力推動綠色營運，並承擔保護環境的社會責任。我們已制定以下環境目標：

Aspect 層面	Our Goals 我們的目標	Progress in the Year 本年度進展	Sections With Corresponding Measures 對應措施章節
Emissions	Minimising the pollution emission through reducing the use of vehicles.	The Group's greenhouse gas emission intensity is lowered by 19% in 2022-23 compared to 2021-22.	5.2 Emissions
排放物	透過減少使用車輛減少污染排放。	與2021-22年相比，本集團於2022-23年的溫室氣體排放密度降低了19%。	5.2 排放物
Waste	Implement waste reduction at source, strive to reduce waste generated during operation, and actively reuse and recycling.	The Group's hazardous waste intensity is lowered by 27% in 2022-23 compared to 2021-22.	5.3 Waste
廢棄物	實施源頭減廢，努力減少營運過程中產生的廢棄物，積極進行再利用和回收。	與2021-22年相比，本集團於2022-23年的有害廢棄物密度降低了27%。	5.3 廢棄物
Resources	Reducing energy consumption at all levels of business operations. Conserving resources such as water, electricity and paper in daily operations.	The Group's energy consumption intensity and water consumption intensity are lowered by 21% and 34% respectively in 2022-23 compared to 2021-22.	5.4 Energy and Water Consumption
資源使用	降低業務營運各層面的能源消耗。在日常營運中節約用水、用電及用紙等資源。	與2021-22年相比，本集團於2022-23年的能源消耗密度及耗水密度分別降低了21%及34%。	5.4 能源及水消耗

5. PROTECTING OUR ENVIRONMENT 保護環境

5.2 EMISSIONS

Environmental protection is beyond dispute a collective responsibility of all businesses given the stern environmental circumstances nowadays. As a responsible corporate and manufacturer, the Group has exerted itself to control emission from the production process, in spite of the fact that manufacturing precast concrete junction boxes generates very little air pollution. We comply strictly with the laws and regulations related to emission, such as the Environmental Quality Act 1974. During the Year, the Group was not aware of any incidents of non-compliance with relevant laws and regulations relating to environmental issues.

The major source of air pollutants generated by the Group is the use of vehicles and the air pollutant emission during the Year is shown in the following table:

Air Pollutants ¹	空氣污染物 ¹
Nitrogen oxides (kg)	氮氧化物 (千克)
Sulphur dioxide (kg)	二氧化硫 (千克)
Particulate matter (kg)	顆粒物 (千克)

Notes:

- The Group's air pollutant emissions are mainly from emissions from motor vehicles usage. The calculation of pollutant emissions is based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX. The emission factors used for calculating emission is based on the "MYCarbon GHG Reporting Guidelines" issued by National Corporate GHG Reporting Programme for Malaysia and "EMEP&EEA air pollutant emission inventory guidebook 2019" issued by the European Monitoring and Evaluation Programme & European Environment Agency.

5.2 排放物

面對現時嚴峻的環境狀況，環境保護無疑是各行各業的共同責任。雖然製造預製混凝土接線盒只會產生極少空氣污染，但作為一家負責任的公司及製造商，本集團仍不遺餘力地控制生產過程中的排放量。我們嚴格遵守《一九七四年環境質量法案》等有關排放的法例及規例。於本年度，本集團並不知悉任何違反有關環境問題的相關法律法規的事宜。

本集團所產生的空氣污染物主要來自於車輛的使用，下表載列本年度空氣污染物的排放量：

2022-23	2021-22
955	822
0.35	0.32
25	21

附註：

- 本集團的空氣污染物排放主要來自汽車使用的排放。污染物排放量根據聯交所刊發的「附錄二：環境關鍵績效指標匯報指引」計算所得。用於計算排放量的排放系數乃基於馬來西亞國家企業溫室氣體報告項目刊發的「MYCarbon溫室氣體報告指引」及歐洲環境署刊發的《EMEP&EEA大氣污染物排放清單指南（二零一九年版）》。

5. PROTECTING OUR ENVIRONMENT

保護環境

Since the Group's business products and operations mainly focus on the manufacturing and selling of precast concrete telecommunication junction boxes and precast concrete electrical junction boxes, it is undeniable that the Group is a contributor to greenhouse gases ("GHG") emissions, both directly and indirectly, through business activities including logistics and transportations, energy and fuel consumption, and paper usage and disposals. As climate change has become a greater issue discussed worldwide, which requires the world's attention to combat with, the Group is also obligated to reduce the GHG emission through practicing and improving green operations. The total emission and emission intensity of GHG of the Year are shown as below:

由於本集團的業務產品和營運主要集中於製造及銷售預製混凝土電信接線盒及預製混凝土電力接線盒，本集團毫無疑問地為溫室氣體（「溫室氣體」）排放的直接和間接貢獻者，通過包括物流和運輸、能源和燃料消耗以及紙張使用和處置在內的業務活動。隨著氣候變化成為全球討論的更大議題，需要全世界的關注以共同應對，本集團亦有義務通過實踐和改進綠色營運來減少溫室氣體排放。本年度溫室氣體的排放總量及排放密度載列如下：

GHG Emission ¹	溫室氣體排放 ¹	2022-23	2021-22
Total emission (tonne of CO ₂ e)	排放總量 (噸二氧化碳當量)	229	198
Direct emission (Scope 1) ² (tonne of CO ₂ e)	直接排放 (範圍1) ² (噸二氧化碳當量)	138	124
Indirect emission (Scope 2) ³ (tonne of CO ₂ e)	間接排放 (範圍2) ³ (噸二氧化碳當量)	87	74
Indirect emission (Scope 3) ⁴ (tonne of CO ₂ e)	間接排放 (範圍3) ⁴ (噸二氧化碳當量)	3	0
Emission intensity (tonne of CO ₂ e/million RM of revenue)	排放密度 (噸二氧化碳 當量 / 百萬令吉收益)	7.54	9.32

5. PROTECTING OUR ENVIRONMENT

保護環境

Notes:

1. The Group's greenhouse gas inventory includes carbon dioxide, methane and nitrous oxide, and the greenhouse gas emissions data is presented in carbon dioxide equivalent. The resource consumption data disclosed in this report only includes greenhouse gas emissions generated directly from the Group's operations. The calculation of pollutant emissions is based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX.
2. Scope 1 includes direct emissions from the consumption of vehicle fuels of the Group. The calculation is based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX. The emission factors used for calculating emission is based on the "MYCarbon GHG Reporting Guidelines" issued by National Corporate GHG Reporting Programme for Malaysia and "EMEP&EEA air pollutant emission inventory guidebook 2019" issued by the European Monitoring and Evaluation Programme & European Environment Agency.
3. Scope 2 includes indirect emissions from purchased electricity of the Group. The calculation is based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX. The emission factors used for calculating emission is based on the "MYCarbon GHG Reporting Guidelines" issued by National Corporate GHG Reporting Programme for Malaysia.
4. Scope 3 includes other indirect emissions from waste paper disposal and business air travel. The Group starts to disclose indirect emissions from business air travel in the Year. The calculation and emission factors used for calculating emission from waste paper disposal are based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX. The calculation of emissions from business air travel is based on the International Civil Aviation Organization (ICAO) Carbon Emissions Calculator.

附註：

1. 本集團的溫室氣體清單包括二氧化碳、甲烷及一氧化二氮，且溫室氣體排放量數據以二氧化碳當量呈列。本報告所披露的資源消耗數據僅包括由本集團運營所直接產生的溫室氣體排放量。污染物排放量根據聯交所刊發的「附錄二：環境關鍵績效指標匯報指引」計算所得。
2. 範圍1包括由本集團車用燃料消耗的直接排放。該計算乃基於聯交所刊發的「附錄二：環境關鍵績效指標匯報指引」。用於計算排放量的排放系數乃基於馬來西亞國家企業溫室氣體報告項目發佈的「MYCarbon溫室氣體報告指引」及歐洲環境署發佈的《EMEP/EEA大氣污染物排放清單指南（2019年版）》。
3. 範圍2包括本集團外購電力的間接排放。該計算乃基於聯交所刊發的「附錄二：環境關鍵績效指標匯報指引」。用於計算排放量的排放系數乃基於馬來西亞國家企業溫室氣體報告項目刊發的「MYCarbon溫室氣體報告指引」。
4. 範圍3包括處理廢紙及商務航空旅行的其他間接排放。本集團於本年度開始披露商務航空旅行的間接排放量。用於計算處理廢紙排放量的計算及排放系數乃基於聯交所刊發的「附錄二：環境關鍵績效指標匯報指引」。商務航空旅行排放量乃基於國際民航組織(ICAO)碳排放計算器計算所得。

5. PROTECTING OUR ENVIRONMENT

保護環境

5.3 WASTE

The Group strives to handle the waste with the highest degree of care and compliance with relevant laws, such as the Environmental Quality Act and the Environmental Quality (Scheduled Wastes) Regulations. The Group generates both non-hazardous and hazardous wastes from the production process and office operation. For non-hazardous waste, the main source of waste are hand gloves generated from the production process. Hazardous waste mainly includes bottle spray and lead from production processes, and toner cartridges from office operations. The weights and intensity of waste produced are shown in the following table:

5.3 廢棄物

本集團致力以最嚴謹的方式處理廢棄物，並嚴格遵守《環境質量法案》(Environmental Quality Act)及《環境質量(計劃內廢棄物)規例》(Environmental Quality (Scheduled Wastes) Regulations)等相關法例。本集團於生產過程及辦公室營運中產生無害及有害廢棄物。就無害廢棄物而言，廢棄物的主要來源為生產過程中產生的手套。有害廢棄物主要包括生產過程中產生的瓶裝噴劑及鉛以及辦公室營運產生的碳粉盒。產生廢棄物的重量及密度載列於下表：

Waste	廢棄物	2022-23	2021-22
Total hazardous waste produced (kg) ¹	產生的有害廢棄物總量 (千克) ¹	256	246
Bottle Spray (kg)	瓶裝噴劑 (千克)	85	85
Lead (kg)	鉛 (千克)	170	160
Toner (kg)	墨盒 (千克)	1	1
Intensity of hazardous waste (kg/million RM of revenue)	有害廢棄物密度 (千克／百萬令吉收益)	8.44	11.56
Total non-hazardous waste produced (kg)	產生的無害廢棄物總量 (千克)	1,132	533
Hand gloves (rubber) (kg) ²	手套 (橡膠) (千克) ²	197	96
Hand gloves (cotton) (kg)	手套 (棉) (千克)	710	437
General Waste (kg) ³	一般廢棄物 (千克) ³	225	N/A ⁴
			不適用 ⁴
Intensity of non-hazardous waste (kg/million RM of revenue)	無害廢棄物密度 (千克／百萬令吉收益)	37.36	25.02

5. PROTECTING OUR ENVIRONMENT

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Notes:

1. Hazardous waste is calculated based on actual amount produced.
2. Non-hazardous waste produced from hand gloves is calculated based on actual amount produced.
3. The Group starts to disclose the amount of general waste produced in the Year as the information collection system for general waste has been established in the Year. The general waste is estimated based on the Group's daily office operation situation. The conversion factors used for calculation are from "Monitoring of Solid Waste in Hong Kong (2021 statistics)" provided by the Hong Kong Environmental Protection Department and the solid waste conversion factor provided by the United States Environmental Protection Agency.
4. The amount of general waste was not disclosed in 2021-22 due to the information collection system was still being established in 2021-22.

附註：

1. 有害廢棄物按實際產生量計算。
2. 手套產生的無害廢棄物按實際產生量計算。
3. 由於一般廢物的信息收集系統已於本年度建立，本集團於本年度開始披露一般廢棄物的產生數量。一般廢棄物根據本集團日常辦公運營情況進行估算。用於計算的轉換系數來自香港環境保護署提供的「香港都市固體廢物監察報告（二零二一年統計數字）」及美國環境保護署提供的固體廢棄物轉換系數。
4. 由於信息收集系統於2021-22年仍在建立中，2021-22年無披露一般廢物的產生數量。

5.4 ENERGY AND WATER CONSUMPTION

Energy and water are the two major resources consumed by the Group. As water is a basic building block for concrete, a vast majority of water consumption is used in the production plants of precast concrete. The Group does not encounter any issue in obtaining suitable water source. During the Year, the energy consumption and water consumption, together with their corresponding intensities are shown in the following table:

5.4 能源及水消耗

能源及水是本公司所消耗的兩大重要資源。由於水是混凝土的基本組成元素，本集團大部分用水都消耗於預製混凝土的生產廠房。本集團並沒有求取適用水源的問題。於本年度，能源及水消耗連同相應密度載於下表：

Use of Resources	資源使用	2022-23	2021-22
Energy	能源		
Total consumption (MWh)	消耗總量（兆瓦時）	662	591
Fuel combustion for vehicles ¹ (MWh)	汽車燃料燃燒 ¹ （兆瓦時）	545	491
Electricity purchased (MWh) ²	外購電力（兆瓦時） ²	118	100
Consumption intensity (MWh/million RM of revenue)	消耗密度（兆瓦時／百萬令吉收益）	21.86	27.79
Water	水		
Total consumption (m ³) ³	消耗總量（立方米） ³	5,348	5,716
Consumption intensity (m ³ /million RM of revenue)	消耗密度（立方米／百萬令吉收益）	176.51	268.52

5. PROTECTING OUR ENVIRONMENT

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Notes:

1. Consumption from fuel combustion of vehicles is calculated based on the energy conversion factors from the "MYCarbon GHG Reporting Guidelines" issued by National Corporate GHG Reporting Programme for Malaysia.
2. Purchased electricity is calculated based on the actual amount consumed.
3. Water consumption is calculated based on the actual amount consumed.

附註：

1. 汽車燃料的消耗乃根據馬來西亞國家企業溫室氣體報告項目刊發的「MYCarbon溫室氣體報告指引」所提供的能源轉換系數計算得出。
2. 外購電力按實際使用量計算。
3. 耗水量按實際使用量計算。

5.5 GREEN OPERATION

To show the Group's determination in alleviating environmental burden and promote environmental protection and sustainability, the Group has established the environmental policy and the environmental management system to stipulate guidelines and prospective goals for the Group to aim at. The central purpose of the goals is to prevent pollution and minimise environmental impacts, through reducing emissions and resource consumptions. The Group's environmental management system is established in accordance to the Group's business context, and is certified in attaining the internationally-recognised standard of ISO 14001:2015.

5.5 綠色營運

為體現本集團減輕環境負擔以及促進環境保護及可持續發展的決心，本集團已訂立環境政策及環境管理系統，從而為本集團制定了指導方針及前瞻性目標。目標的主要目的是通過減少排放及資源消耗來防止污染及將對環境的影響減至最低。本集團的環境管理系統乃根據本集團的業務環境建立，並符合國際公認標準ISO 14001:2015。

5. PROTECTING OUR ENVIRONMENT

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In addition to local environmental laws and regulations compliance, the Group has also implemented various emission controlling measures and practices, which have demonstrated the Group's determination in cutting down carbon footprint as well as eliminating air pollution during business operations. To avoid the spreading of dust while vehicles enter and exit the production plant, vehicles are sprayed with water to settle dust. Drivers are also educated to avoid idling engines when vehicles are not in use, and company fleet are kept properly tuned and with regular inspections on tyre pressure to minimise air pollutant emissions. Additionally, vehicle transportation and product logistic routes are carefully planned to optimise vehicles' mileage and fuel efficiency. Besides, hybrid automobiles, which operate with less polluting and higher efficiency fuel than the diesel fuel vehicles, are also adopted to relieve the dependency on heavy polluting vehicles. Other than managing the fleet operations, the Group has also encouraged staff members to conduct phone or video conferences online to substitute business travel. In case of necessary business trip, we always prefer direct flights than transit flight to reduce carbon footprint from travelling as much as possible.

Handling waste, both hazardous and non-hazardous waste, is also another key focus of the Group to ensure that the Group's production only put minimal pressure to the environment. Various measures have been conducted by us to prevent adverse environmental impacts. Non-hazardous waste such as hand gloves are collected and recycled by suppliers to promote recycling. In addition, hazardous waste such as toner cartridges, bottle sprays and lead are collected and handled by qualified companies and suppliers, to avoid direct disposal at landfills and pollution instead.

除遵守當地環境法律及法規外，本集團亦已實施多項排放控制措施及實踐，從而體現本集團在業務營運過程中減低碳足跡及消除空氣污染的決心。為避免車輛進出生產廠房時灰塵擴散，本集團對車輛灑水讓塵埃得以沉降。本集團亦提醒駕駛員在不使用車輛時避免空轉引擎，並妥善保養公司車隊，以及定期檢查輪胎壓力，將空氣污染物排放降至最低。此外，本集團精心規劃車輛運輸及產品物流路線，以優化車輛的里程及燃油效率。此外，本集團亦採用相較於柴油汽車而言更少污染及更高燃料效率的混合動力汽車，從而減輕對重污染汽車的依賴。除管理車隊營運外，本集團亦鼓勵員工進行在線電話或視頻會議，以替代商務旅行。如無法避免商務旅行，我們會選擇直航而非轉機，以盡可能減少旅行的碳足跡。

處理廢棄物（有害及無害廢棄物）亦是本集團的另一個重點，以確保本集團的生產僅對環境造成極小的壓力。我們已採取各種措施來防止對環境不利的影響。手套等無害廢棄物由供應商收集及回收以循環利用。此外，碳粉盒、瓶裝噴劑及鉛等有害廢棄物均由合資格公司及供應商收集並處理，避免直接於填埋區域處置從而造成污染。

5. PROTECTING OUR ENVIRONMENT

保護環境

In order to minimise the electricity usage and enhance the efficiency of the lighting system, lighting are switched off when rooms are not in use and separate switches are set up for different light zones. Additionally, we utilise most of the natural light, as practicable as possible, and adopt energy efficient lighting fixtures such as T5 fluorescent lamps and LED lamps to enhance energy efficiency. Other than focusing on improving the energy efficiency of lighting system, we also look into the air conditioning system to look for areas of better energy efficiency. For example, we clean the air conditioning filters and fan coil units regularly to ensure efficient delivery of cool air, and variable refrigerant volume are used to optimise refrigerant flow, which promotes optimal energy efficiency. Air conditioning are switched off when rooms are not in use. Staff members are also encouraged to dress more casual to reduce the need for air conditioning.

Our environmental commitment also encompasses an array of water-saving measures. For example, we reduce water pressure of pipes to the lowest practical level to avoid excessive consumption of water. We also put up water saving labels in toilets, carry out regular leakage checks on concealed piping, check for overflowing tanks, and fix dripping taps immediately to prevent water wastage.

The use of paper has been a significant source of carbon emission in modern society, thus we endeavor to reduce paper consumption in our office with pragmatism. We support the use of electronic means, rather than paper-based methods, to disseminate information wherever possible. Apart from setting our computers and printers as default duplex modes, notices are also placed next to printers to remind employees to use and print on both sides of paper as well as to reuse paper wherever possible. We also set print quota for users and monitor the printing volume regularly to encourage reduction in paper usage. In addition, we purchase printing paper, toilet paper and paper towels with recycled content. All discarded paper except those with confidential information are sent to waste paper recycling companies for recycling.

為盡量減少用電量及提高照明系統的效能，我們不使用房間時關閉照明，並為不同的照明區域設置獨立開關。此外，我們盡可能大部分地利用自然光，並採用T5熒光燈及LED燈等節能照明燈具，以提高能源效率。除專注於提高照明系統的能效外，我們亦研究空調系統以尋找能效更高的領域。例如，我們定期對製冷劑進行洩漏檢查，並更換老化的壓力錶、壓力軟管及空氣壓縮機的連接器，以防止過度消耗能源用於製冷／製熱。我們亦定期清潔空調過濾器及風機盤管，以確保有效輸送冷空氣，並採用可變製冷劑流量多聯式以優化製冷劑流量，從而促進最佳能源效率。我們不使用房間時關掉空調。本集團亦鼓勵其員工穿著較休閒衣著以減少對空調的需求。

我們的環保承諾亦包括一系列節水措施。例如，我們將喉管水壓減至最低可用水平，以避免過度消耗水。我們亦在洗手間貼上節水標誌，定期檢查隱蔽水管的漏水情況，檢查滿溢的水箱，並立即修理滴水的水龍頭，以防止水資源浪費。

紙張使用是現代社會的主要碳排放來源。因此，我們致力以務實方式降低辦公室的紙張消耗。我們支持盡可能使用電子方式而非紙本方式發佈消息。除將電腦及打印機預設為雙面打印模式外，我們亦會在打印機旁張貼告示，提醒僱員盡可能雙面使用及列印紙張以及重複使用紙張。我們亦為使用者設置打印配額並定期監控打印量，以鼓勵減少紙張使用量。此外，我們購買的是具有循環再造成分的印刷紙、衛生紙及紙巾。所有廢棄紙張（有機密資料除外）將送往廢紙回收公司進行回收。

5. PROTECTING OUR ENVIRONMENT

保護環境

5.6 CLIMATE CHANGE

Climate change has emerged as one of the most discussed and concerned topics across the globe in recent years. In view of this, the Group has raised its awareness towards the risks and potential impacts on the Group due to climate change. The Group has subsequently identified the climate-related physical and transitional risks that may adversely impact the Group's operations and development.

For physical risks, the Group believes that it may be affected by the risk of increased severity and frequency of extreme weather events, as caused by climate change. As a result, the Group may potentially result in increased insurance premiums on assets since operational facilities may be damaged, while the health and safety of the workforce may also be impacted. In order to mitigate such risk, the Group maintains a comprehensive insurance coverage for assets that are prone to damage by extreme weather conditions, minimising the potential maintenance and repair cost required.

In terms of transitional risk, the Group faces the risk that existing products will encounter the enhanced emissions-reporting obligations which might increase operating costs such as higher compliance costs, fines and judgments.

5.6 氣候變化

近年來，氣候變化已成為全球最熱議及受關注的話題之一。有鑒於此，本集團已針對因氣候變化給本集團帶來的實體和過渡性風險及潛在影響提高意識。本集團已於其後識別可能對本集團營運及發展構成不利影響的氣候相關風險。

在實體風險方面，本集團認為由氣候變化所帶來的嚴重及頻繁極端天氣事件會對本集團構成風險。從而，本集團對資產保險的投保額可能有需要增加，而員工的健康與安全亦可能受到影響。為減輕有關風險，本集團為容易因極端天氣狀況而受損的財產提供全面保險保障，進而盡量減少可能需要的保養及維修費用。

就過渡性風險而言，本集團面臨現有產品將面臨更嚴格的排放報告責任的風險，這可能會增加運營成本，如更高的合規成本、罰款及判決。

6. CARING ABOUT OUR EMPLOYEES

關懷僱員

6.1 EMPLOYMENT AND WELFARE

In order to protect the rights of our employees and provide them with the best working environment, the Group strictly conforms to relevant laws and regulations, such as the Employment Act, Employees Provident Fund Act, Employees' Social Security Act and Minimum Wages Order. Adhering to the principle of fairness, our applicants are assessed on the basis of merits and criteria regardless of their gender, race or religion. To avoid child labor in workplace, age verification is mandatory in our recruitment process, which takes an essential step requiring newly employed staff to provide identification documents. Once such practice is discovered, the Group would investigate the case thoroughly and dismiss relevant employees immediately. To prevent any form of forced labor, a job description outlining the principal accountabilities of the employee is attached in the letter of employment of every employee, which also covers matters such as wages, working hours, probation period, and requirement for notice of termination.

The Group seeks to build an elite workforce by recruiting and promoting outstanding employees. We offer an appealing remuneration package to our staff including salary, bonuses, allowances and medical benefits. The salary of each employee is determined according to his/her experience, qualifications, capability and the prevailing market remuneration rate. Staff performance review is also conducted annually so as to form the basis of the management decision with regards to salary adjustment, bonuses and promotions. We also take our staff's quality and adequacy of work output, punctuality, initiative, attitude and teamwork into account when considering rewards like salary increment and provision of bonuses. For employees who have decided to resign, exit interviews will also be conducted in order to collect their precious opinions for any possible improvement of the Group's policies.

6.1 僱傭及福利

本集團嚴格遵守相關法例及規定，如《僱傭法例》、《僱員公積金法案》、《僱員社會保障法案》及《最低工資法令》，以保障僱員權益及提供最佳工作環境。本公司恪守公平原則，按申請人的優勢和公司準則對其進行評估，而不論性別、種族或宗教。為避免聘請童工，我們的招聘程序當中亦包括強制年齡核證的重要步驟，要求新聘員工提供身份證明文件。一旦發現違規情況，本集團將徹底調查該情況並即時解僱相關僱員。為避免任何形式的強制勞工，每名僱員的聘書中均會附有一份列明僱員主要職責的工作描述，當中亦會涵蓋工資、工作時間、試用期及終止聘任通知規定等事宜。

本集團透過招聘及提拔傑出僱員，致力建立優秀的工作團隊。我們向員工提供具吸引力的薪酬方案，當中包括工資、花紅、津貼及醫療福利。各僱員的工資乃根據其經驗、資歷、能力及現行市場的薪酬水平釐定。本公司每年檢討員工表現，為管理層作出有關薪酬調整、花紅及晉升的決定提供依據。於考慮加薪及派付花紅等獎勵時，我們亦會考慮員工產出的質素及數量、出勤情況、主動性、態度及團隊合作精神。如僱員決定呈辭，我們亦會進行離職面談，以收集他們的任何可改進本集團政策的寶貴意見。

6. CARING ABOUT OUR EMPLOYEES

關懷僱員

As of 31 May 2023, the Group has employed a total of 68 employees. The distributions of the Group's employees by different categories are as follows:

截至二零二三年五月三十一日，本集團共僱用68名僱員。本集團按不同類別劃分的僱員分佈如下：

Employment	僱傭	2022-23	2021-22
Total Number of Employees and Percentage (%)	員工總數及比例(%)		
By Gender	按性別劃分		
Male	男性	53(78%)	48 (79%)
Female	女性	15(22%)	13 (21%)
By Age Group	按年齡組別劃分		
Below 30	30歲以下	15(22%)	11 (18%)
30-50	30-50歲	42(62%)	39 (64%)
Above 50	50歲以上	11(16%)	11 (18%)
By Employment Type	按僱傭類型劃分		
Full-time	全職	65(96%)	58 (95%)
Part-time	兼職	3(4%)	3 (5%)
By Geographical Region	按地區劃分		
Malaysia	馬來西亞	64(94%)	57 (93%)
Hong Kong	香港	4(6%)	4 (7%)

6. CARING ABOUT OUR EMPLOYEES 關懷僱員

As of 31 May 2023, the turnover rates of employees of the Group by different categories are as follows:

Employee Turnover	僱員流失	2022-23	2021-22
Total Number of Employee Turnover and Total Turnover Rate (%)¹	僱員流失總數及總流失率(%)¹		
By Gender	按性別劃分		
Male	男性	8(15%)	0 (0%)
Female	女性	3(20%)	6 (46%)
By Age Group	按年齡組別劃分		
Below 30	30歲以下	2(13%)	3 (27%)
30-50	30-50歲	8(19%)	2 (5%)
Above 50	50歲以上	1(9%)	1 (9%)
By Geographical Region	按地區劃分		
Malaysia	馬來西亞	11(17%)	6 (11%)
Hong Kong	香港	0(0%)	0 (0%)

Notes:

1. Turnover rate (%) = Total number of employee turnover in the category/Total number of employee in the category at the end of the reporting period x 100%

Adding to the remuneration package is an assortment of welfare offered by the Group. In an attempt to assure our employees of sufficient rest time, working hours are clearly defined in the letter of employment and in compliance with relevant laws and regulations. Our staff is subject to a corresponding overtime salary rate for different types of overtime work. Our staff is also entitled to a number of leaves, either statutory or non-statutory, such as public holidays, annual leave, medical and hospitalisation leave, maternity and paternity leave, marriage leave, and examination leave. Moreover, medical benefits, insurance and allowance are provided to all employees in the Group. Besides, we also place emphasis on the work-life balance of our staff by hosting various leisure activities, such as festive luncheons, badminton competition and birthday celebration which allow our employees to relax and interact.

截至二零二三年五月三十一日，本集團按不同類別劃分的僱員流失率如下：

附註：

1. 流失率(%)=該類別僱員流失總數／報告期末該類別僱員總數x100%

除薪酬方案外，本集團亦提供多項福利。聘書中均會清楚列明工作時數，並會符合相關的法例及規例，以確保僱員有充足的休息時間。因應不同類型的超時工作，我們的員工可獲發相應的超時工資。我們的員工亦享有多項法定或非法定假期，如公眾假期、年假、醫療及住院假、產假及侍產假、婚假及考試假。此外，本集團亦向全體僱員提供醫療福利、保險及津貼。另外，我們亦強調員工的工作與生活平衡，透過舉辦節日午餐聚會、羽毛球比賽和生日會等多樣休閒活動，讓僱員舒緩壓力及聯誼。

6. CARING ABOUT OUR EMPLOYEES 關懷僱員

During the Year, the Group continued to comply with all the applicable labor laws and regulations in Malaysia and did not face any disciplinary action with respect to the labor protection issues.

6.2 TRAINING AND DEVELOPMENT

Fostering our employees' knowledge and skills hence their career development has long been seen as a core strategy of the Group. With the provision of specific training tailored to respective types of employees' goals and needs, we strive to create an intellectually-stimulating environment within which employees can develop all-rounded skills and knowledge.

In order to raise the level of effectiveness of employees and improve their working performance, it is one of our policies that all employees are given the opportunity to attend approved training programs either locally or internally in technical or management fields. For instance, courses regarding essential knowledge on concrete and concrete technology were arranged for our staff in an effort to deepen their understanding of concrete and our operation flow. On the other hand, in the aspect of information technology, trainings on AutoCAD were provided to the Quality Control department to enhance the IT application and quality control of the Group. Training on indoor sales, product, and customer services were also arranged to strengthen employees' marketing and customer service skills. We also offer workplace health and safety trainings in a bid to enhance staff members' knowledge towards occupational health and safety. As a way to encourage employees to take the initiative in learning, we offer reimbursements to our staff who have received relevant training and completed development programs that pertain to their respective work positions and skills.

於本年度，本集團繼續遵守馬來西亞的所有適用勞動法律法規，且並未遭遇任何有關勞動保障問題的懲戒處分。

6.2 培訓與發展

培養僱員的知識與技能，從而協助其事業發展，一直以來都是本集團的核心策略。透過提供切合不同類型僱員的目標和需要的特別培訓，我們致力營造可激發僱員智慧的環境，令僱員能夠發展全面的技能與知識。

為提高僱員的效率水平並改善彼等的工作績效，令全體僱員有機會參加技術或管理領域內的本地或集團內部批准培訓項目，乃我們的政策之一。例如，我們為員工安排有關混凝土及混凝土技術必備知識的課程，以加深彼等對混凝土以及我們營運流程的理解。另一方面，就信息技術而言，我們向質量監控部門提供AutoCAD的培訓，以提升本集團的資訊科技應用及質量監控水平。我們亦安排了室內銷售、產品及客戶服務培訓，以提高員工的營銷及客戶服務技能。我們亦進行工作場所健康及安全培訓以增強員工對職業健康及安全的認知。為鼓勵僱員主動學習，曾接受相關培訓及完成與其工作崗位及技能有關的發展計劃的員工均可報銷所支付的費用。

6. CARING ABOUT OUR EMPLOYEES

關懷僱員

Our employee development strategy is more than mere provision of training as the Group is also devoted to paving a path for employees' career development. As mentioned, we carry out staff performance review regularly in an attempt to provide promotion opportunities for employees with outstanding performance. Recommendations on training are also given to staff so as to help them step further in their future career path.

我們的僱員發展策略不單為僱員提供培訓，本集團還致力為僱員的事業發展鋪路。如上文所述，我們定期檢討僱員表現，為表現出色的僱員提供晉升機會。我們亦會向員工提供培訓建議，以協助彼等未來的事業更上一層樓。

Training	培訓	2022-23	2021-22
Average Training Hours per Employee (Percentage of Trained Employees)	每名僱員平均培訓時數 (受訓僱員百分比)		
By Gender	按性別劃分		
Male	男性	4.6(60%)	1.0 (13%)
Female	女性	12.0(73%)	5.5 (69%)
By Employee Category	按僱員類別劃分		
Senior	高級	2.7(17%)	1.7 (21%)
Middle	中級	10.1(56%)	4.0 (50%)
Junior	初級	5.8(80%)	1.4 (17%)

6. CARING ABOUT OUR EMPLOYEES 關懷僱員

6.3 HEALTH AND SAFETY

In view of the paramount importance of employees' health and safety, we strictly abide by the laws and regulations that are relevant to occupational health and safety which include the Factory and Machinery Act, Fire Service Act, Electricity Supply Act, Occupational Safety and Health Act and the Workmen's Compensation Act. To better ensure the safety and health of our staff, we have also formed a health and safety management team constituted with supervisors and managers which aims at providing and maintaining a safe working environment, safe systems of work and facilities for the welfare of all workers. To emphasise the importance of workplace safety and health, internal policy is in place and ensures our working environment is in line with requirements of relevant environmental law. With well-established occupational health and safety ("OH&S") policies, the Group has successfully obtained the certificate of ISO 45001:2018 Occupational Health and Safety Management System.

The Group carries out a safety plan which consists of four areas. To minimise the risk of injury, we provide personal protection equipment such as safety shoes, gloves, spectacles, face shield and earplugs, which cater for the needs of workers from different departments. Safety training, which is conducted by external parties, is given to our employees before using any machine or equipment and handling dangerous chemicals. An array of programs such as toolbox talks, induction programs, industrial practices, lectures and seminars are also provided for our staff to ensure the equipment is safely used. Apart from training and equipment provision, we also carry out job hazard analysis on an ongoing basis in an attempt to set down potential hazards preventive measures for our employees to follow. Lastly, safety and health inspections are conducted regularly to ensure all health and safety measures are duly implemented.

6.3 健康與安全

鑒於僱員健康與安全的高度重要性，我們嚴格遵守有關職業健康與安全的法律法規，包括《工廠及機械法案》、《消防法案》、《電力供應法案》、《職業安全與健康法案》及《勞工賠償法案》。為了更好地確保我們員工的安全和健康，我們亦組建了由監事和管理人員組成的健康和安全管理團隊，旨在提供和維護安全的工作環境、安全的工作系統及設施，以保障所有工人的福利。為強調工作場所安全與健康的重要性，我們已制定內部政策確保我們的工作環境符合相關環境法的要求。憑藉完善的職業健康與安全（「職業健康與安全」）政策，本集團已成功取得ISO 45001:2018職業健康安全管理体系證書。

本集團實施由四個範疇組成的安全計劃。為盡量降低受傷風險，我們提供切合不同部門工人需要的個人防護裝備，如安全鞋、手套、護目鏡、面罩及耳塞。僱員在使用任何機器或設備及處理危險化學品前，均會接受由外界機構向彼等提供的安全培訓。我們亦會向員工提供工地座談會、入職課程、工業實踐、講座及研討會等不同課程，以確保設備的安全使用。除提供培訓及設備外，我們亦持續進行職業危害分析，以制定要求僱員遵守的預防潛在危害的措施。最後，我們亦會定期進行安全及健康檢查，確保所有健康和安全措施得到妥善執行。

6. CARING ABOUT OUR EMPLOYEES

關懷僱員

In pursuit of an injury-free business environment, fire drills and training on the use of fire extinguisher and chemicals & spillage (mould oil & diesel) handling, are also arranged annually to enhance our employees' ability in dealing with different emergent situations. In addition, basic occupational first aid, CPR and AED trainings, which are conducted by internal and external parties, are also provided for our staff to equip them with safety knowledge as well as skills to handle emergencies. The Group will continue to review the OH&S objectives, policy and management system at a periodic basis for suitability, and improve its effectiveness. During the Year, the number of work injuries and the number of loss days due to work injuries recorded by the Group was 0. There were no work-related fatalities in the past three years.

As the Coronavirus Disease 2019 ("COVID-19") has eased during the Year, responding to the Malaysian Government's declaration of an endemic phase, the Group has relaxed its mandatory measures that were previous set against the COVID-19 Pandemic. However, to ensure the health and well-being of our staff members, all visitors are required to wear face masks upon entering the office premises and highly encouraged to use hand sanitiser whenever necessary.

為追求無工傷的業務環境，我們亦每年安排消防演習以及滅火器使用及化學品及洩漏物（滑模油及柴油）的處理的培訓，以加強僱員處理各種緊急情況的能力。此外，我們通過內部及外界機構亦為員工提供基本職業急救、心肺復甦法（CPR）及自動體外心臟去纖維性顫動法（AED）培訓，旨在讓員工具備安全知識以及處理緊急情況的技能。本集團將繼續定期檢討職業健康與安全目標、政策及管理體系的適用性，並提高其成效。於本年度，本集團錄得工傷數及因工傷損失工作日數為零。於過去三年，並無因工亡故情況。

鑒於二零一九年新冠疫情（「COVID-19」）於本年度有所緩解，針對馬來西亞政府宣佈進入流行病階段，本集團已放寬此前針對COVID-19疫情制定的強制性措施。但是，為了確保我們員工的健康與福祉，所有訪客在進入辦公場所時均須佩戴口罩，並強烈建議彼等於必要時使用消毒洗手液。

7. OPERATING OUR BUSINESS

經營業務

7.1 SUPPLY CHAIN MANAGEMENT

To comprehensively fulfill our environmental and social responsibility, the Group also puts effort in managing our business operation including the supply chain. We purchase raw materials and accessories for the manufacturing of our precast concrete junction boxes. When selecting suppliers, we take into account a range of criteria including product pricing, product quality, supply capability, business track record and the services provided by the suppliers. Suppliers to the company must comply with all relevant local and national laws and regulations in relation to unethical behavior, bribery, corruption and other prohibited business practices. Suppliers must also comply with laws and regulations related to local and national health and safety. Environmental performance of the suppliers is also an essential factor affecting the Group's decision. For example, we focus on the chemical constituent of raw materials and consider if they are detrimental to the health and safety of our employees or customers.

After collecting the relevant information during the selection process, we have compiled a list of approved suppliers to facilitate periodic review. The Group works closely and regularly with our suppliers in order to review their backgrounds and performance as well as their business licenses and requisite certifications. Besides, product quality, ease of contacting and response to enquiries and complaints are also parts of our consideration. To enhance the reliability of the results of performance review, site visits to our main suppliers are also conducted to better evaluate their business performance. In general, we aim to maintain a good relationship with suppliers with remarkable environmental and social performance while suppliers who was found to be inconsistent with the Company's policy or contractual requirements, the Company will terminate future cooperation until the situation has been improved. During the Year, the Group has a total of 76 major suppliers with 75 of them from Malaysia and 1 of them from China.

7.1 供應鏈管理

為全面履行環境及社會責任，本集團亦致力管理其業務營運（包括供應鏈）。我們就製造預製混凝土接線盒採購原材料及配件。在挑選供應商時，我們考慮包括產品定價、產品質素、供應能力、業務往績以及供應商所提供的服務等多項標準。本公司的供應商必須遵守有關不道德行為、賄賂、腐敗及其他禁止的商業行為的所有相關當地及國家法律法規。供應商亦必須遵守與當地及國家健康與安全有關的法律法規。供應商的環境表現亦為影響本集團決定的一項重要因素。舉例而言，我們著重原材料的化學成份，並考慮有關成份會否損害僱員或客戶的健康與安全。

在挑選過程中收集相關的資料後，我們已編製一份認可供應商名單，以便定期審閱。本集團與供應商緊密且定期合作，以審查彼等的背景和表現以及其業務牌照及所需認證。此外，產品質素、聯繫的方便程度以及對查詢及投訴的回應速度亦為我們考慮因素的一部分。為提高表現審查結果的可靠性，我們亦會實地造訪主要供應商，以更佳地評估其業務表現。一般而言，我們旨在與在環境及社會方面表現卓越的供應商維持良好關係，而發現與本公司政策或合約要求不一致的供應商，本公司將終止未來的合作，直到情況有所改善。於本年度，本集團共有76名主要供應商，其中75名來自馬來西亞，1名來自中國。

7. OPERATING OUR BUSINESS

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7.2 QUALITY ASSURANCE

As a manufacturer, we never spare ourselves in the pursuit of excellence in product quality and we always adopt stringent and high-standard quality control for our products and services so as to achieve a continued success. The Group has established a quality management system which is designed and implemented according to requirements of the ISO 9001:2015 Quality Management System. While our top management is fully responsible and dedicated to the development, implementation and continual improvement of the quality management system, a quality control team is assigned to oversee the quality control measures for our products and raw materials.

Generally, our quality management measures are carried out in several steps. Before commencing the manufacturing of products for our customers, the Sales Department is responsible for ensuring all customer requirements are clearly defined so that products specifications as required by our customers can be met. After that, a physical inspection will be arranged for all incoming raw materials and equipment to avoid any non-compliance with the specifications. Upon completion of manufacturing, our products are subject to various quality examinations such as measuring product dimensions, loading test and concrete hardness test by well-trained quality control assurance inspectors. We also arrange product training to equip our employees with necessary knowledge of qualified products. To better improve our product quality, customers' perception as to whether or not we meet their requirements is determined through customer satisfaction surveys, regular meetings or visits to customers. We monitor and collect consumer feedback to address potential product quality or safety issues. The results of the aforementioned procedures will be properly documented.

7.2 質量保證

作為製造商，我們在追求卓越產品質素方面從不怠懈，並一直對產品及服務採用嚴格且高標準的質量監控，務求取得持續成功。本集團已建立一套質量管理系統，乃根據ISO 9001: 2015質量管理系統的要求設計及推行。我們的高級管理層全面負責及致力發展、推行及持續改善質量管理系統，而質量監控團隊則負責監察產品及原材料質量的監控措施。

一般而言，我們的質量管理措施按多個步驟進行。為客戶製造產品前，銷售部門負責確保已明確界定客戶的所有要求，從而令產品規格符合客戶要求。之後，我們將會安排對所有進貨原材料及設備進行實質檢查，以避免任何不符合規格的情況。製造完成後，產品須接受經專業培訓質控保證檢驗員進行的多項質量測試，例如量度產品尺寸、載荷測試以及混凝土硬度測試。我們亦安排產品培訓，令僱員具備必需的合格產品知識。為進一步改善產品質量，我們透過進行客戶滿意度調查、定期會面或客戶探訪，瞭解我們能否符合他們的要求。我們監視並收集消費者的反饋意見，以解決潛在的產品質量或安全問題。上述程序的結果均會以文件妥善記錄。

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In case of any non-conformance of our products, either to the prescribed standards or the customers' requirements, we will carry out remedial and preventive action in response to the complaints from our clients. Reports will also be prepared to summarise the cases and suggest corrective actions. As a responsible manufacturer, we always strive for zero-complaints. During the Year, the Group received eleven complaints related to product quality. The issues have been resolved through product replacement and re-delivery, and the issues are duly investigated to avoid recurrence. During the Year, the Group did not record any products sold or shipped that are subject to recalls for safety and health reasons.

As recognition of our effort in achieving high product quality, the Group has obtained registrations from the Standard and Industrial Research Institute of Malaysia ("SIRIM") for certain models of our standard precast concrete junction boxes in relation to product quality since 2005. We have also successfully obtained the certificate of ISO 9001:2015 for our quality management system applicable to our precast concrete manholes and accessories.

如有任何不合格產品（不論是未能符合規定標準或客戶要求），我們將會應客戶的投訴採取補救及預防行動。我們亦會編製報告，概述有關事件並建議糾正措施。作為負責任的製造商，我們一直致力以零投訴作為目標。於本年度，本集團接獲十一宗有關產品質量的投訴。有關問題已通過產品更換及重新發貨解決，而就該等問題已正式調查，以避免再次發生。於本年度，本集團並無錄得任何已售或已運送產品因安全與健康理由而須召回。

本集團已自二零零五年起就若干型號的標準預製混凝土接線盒取得由馬來西亞標準與工業研究協會（「**馬來西亞標準與工業研究協會**」）發出的產品質量認證，表彰我們在達成高產品質量方面所付出的努力。我們亦成功就適用於預製混凝土沙井及配件的質量管理系統取得ISO 9001: 2015認證。

7.3 PROTECTION OF CUSTOMER DATA AND PRIVACY

Regarding customer information and data, the Group always handles it with the highest degree of confidentiality. Instruction with respect to confidentiality is clearly stated in the letter of employment of our employees. In other words, employees are well noted about the importance of protecting the privacy of our customers and the Group even before their commencement of work. Our employees are prohibited to reveal or capitalise on any confidential matters or information related to their work and the Group no matter under employment or after termination of their employment. To emphasise the significance of privacy protection, divulging confidential information to any third parties or outsiders without authorisation is regarded as a major misconduct and could result in disciplinary actions. The Group also provides employees with privacy training to promote their privacy awareness.

7.3 保護客戶數據及私隱

本集團一直以高度保密方式處理客戶資料及數據。有關保密方面的指示已於僱員的聘書中清楚列明。換言之，僱員在展開工作前已清楚瞭解保障客戶及本集團私隱的重要性。不論在受聘期間或在終止受聘後，僱員不得透露或利用任何與其工作及本集團有關的機密事宜或資料。為強調保障私隱的重要性，未經授權向任何第三方或外界人士洩露機密資料被視為重大不當行為，可導致紀律處分。本集團亦為僱員提供私隱培訓，以提高其私隱意識。

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7.4 PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Group spares no effort to protect intellectual property rights by conforming to relevant laws and regulations such as the Trade Marks Act and Common Law Protection towards Unregistered Trade Marks. We have registered our trademark in Malaysia and all our precast concrete junction boxes are labeled with the registered trademark to prevent any infringement of our intellectual property rights by any parties. We respect intellectual property rights and do not tolerate any breach of third parties' copyrights. We also require absolute accuracy of all information on our website and forbid any false, misleading or inaccurate statement in any form of our marketing activities. During the Year, we did not engage in, and were not aware of, any litigation or legal proceedings for the violation of intellectual property rights or any material violation.

7.5 ANTI-CORRUPTION

Corruption could be a source of risk that weakens a business's stability and hampers its development. Thus, the Group has made its greatest effort to adhere strictly to a high standard of business conduct. We truly believe that the business conduct of the Group highly hinges on every employee's conduct hence we have formulated a code of ethics and make sure it is well communicated to all employees in the Group.

7.4 保護知識產權

本集團透過遵守相關法例及規例（如《商標法》及《普通法對非註冊商標的保障》），致力保障知識產權。我們已於馬來西亞註冊商標，且所有預製混凝土接線盒上均已印有註冊商標，以避免任何人士侵犯我們的知識產權。我們尊重知識產權，不會容忍任何違反第三方版權的情況。我們亦要求載於本集團網站的所有資料絕對準確，並禁止在市場推廣活動中作出任何形式的虛假、誤導或失實陳述。於本年度，我們並無涉及且並不知悉任何有關違反知識產權或任何重大違規事宜的訴訟或法律程序。

7.5 反貪污

貪污有可能成為削弱業務穩定性及阻礙發展的風險來源。因此，本集團盡最大努力恪守高標準的商業操守。我們確信，本集團的商業操守高度取決於每位僱員的操守，因此我們已制定道德守則，並確保已有效地向本集團全體僱員傳達有關守則。

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Following the code of ethics, our employees are forbidden to undertake any activity from which a conflict of interest of the Group could arise. Any employee found to be in a position of conflict must declare his interest and abstain from taking part in any decision making process concerning that activity. Besides, we also have clear regulations governing the receipt of gifts by employees from customers, clients or suppliers, to deter any form of bribery. Excessive and lavish entertainment without a clear business purpose is strictly prohibited. For easier and clearer communication of the meaning of the code of ethics, a list of major misconduct is also included. For example, failure to declare interests by an employee is deemed to have committed a major misconduct and subject to a disciplinary action. The Group has also set up a whistle-blowing policy, where clear communications channels and guidelines are provided to employees to report on suspected malpractice or misconduct. The Group will investigate the reported cases and take corresponding actions required. Whistleblowers are assured of protection against unfair dismissals, victimisations, or unwarranted disciplinary actions. During the Year, the Group has not organised any anti-corruption training due to the COVID-19 pandemic.

During the Year, we were not aware of any breach of laws and regulations in relation to bribery, extortion, fraud and money laundering, such as the Anti-Corruption Commission Act 2009 of Malaysia and the Prevention of Bribery Ordinance of Hong Kong that had a significant impact on the Group. Also, there is no concluded legal cases regarding corrupt practices brought against the Group or its employees during the Year.

根據道德守則，僱員不得進行任何可能對本集團造成利益衝突的活動。任何僱員如被發現出現利益衝突，必須申報其利益並避免參與有關活動的任何決策過程。此外，我們亦已就僱員收取客戶、顧客或供應商的餽贈制訂明確規則，以防止任何形式的賄賂。我們嚴格禁止在沒有明確商業目的的情況下，作出過度鋪張的宴請。為更方便及清晰地傳達道德守則的涵義，守則內亦載列了一份重大不當行為的清單。舉例而言，沒有申報利益的僱員會被視為干犯重大不當行為，並須受到紀律處分。本集團亦已制定舉報政策，為僱員提供清晰的溝通渠道及指引，以便他們舉報可疑的舞弊或不當行為。本集團將調查舉報個案，並採取所需的相應行動。舉報人會受到保護，免受不公平解僱、迫害或不必要的紀律處分。於本年度，由於COVID-19疫情，本集團並無組織任何反貪污培訓。

於本年度，我們並不知悉任何違反有關賄賂、勒索、欺詐及洗錢的法律及法規（例如馬來西亞的《2009年反貪污法案》及香港的《防止賄賂條例》）而對本集團造成重大影響的情況。此外，於本年度並無對本集團或其僱員提出並已審結的貪污訴訟案件。

8. CONTRIBUTING TO OUR COMMUNITY

貢獻社區

Apart from the pursuit of business development, the Group also exerts itself to attain its philanthropic goal through participating in various charitable activities. Our endeavor in caring the underprivileged group is exemplified by our charity work with the Malaysia Children Downs Syndrome Association, in hopes of bracing the group as well as raising public awareness on the needy people.

During the Year, the Group has made 7 donations, with a total amount of MYR 10,388. Through these donations, the Group is able to support welfare organisations such as the Malaysia Children Downs Syndrome Association, and community events such as the Zhong Yuan Festival and Ci Ji Gong Festival.

除了追求業務發展，本集團亦透過參與各種慈善活動，實現其慈善目標。我們與馬來西亞兒童唐氏綜合症協會聯合參與的慈善工作展現了我們對弱勢群體的關懷，以鼓勵這一群體及呼籲人們關愛弱勢群體。

於本年度，本集團已作出7項捐贈，總金額為10,388馬幣。本集團透過該等捐贈支持馬來西亞兒童唐氏綜合症協會等福利組織，以及中元節及慈濟宮節等社區活動。

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附錄：關鍵績效指標報告指引

KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
Environment 環境			
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. <i>Note:</i> Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Environmental Principles; Emissions; Waste; Green Operation	10; 11-13; 14; 16-18
A1 排放物	一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料 註： 廢氣排放包括氮氧化物、硫氧化物及其他受國家法律及法規規管的污染物。 溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化合物、全氟化碳及六氟化硫。 有害廢棄物指國家法規所界定者。	環境原則； 排放物； 廢棄物； 綠色營運	

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物	11-13
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 直接（範圍1）及能源間接（範圍2）溫室氣體排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Emissions 排放物	11-13
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Waste 廢棄物	14
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Waste 廢棄物	14
A1.5	Description of emissions target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	Environmental Principles; Green Operation 環境原則； 綠色營運	10; 16-18
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	Environmental Principles; Green Operation 環境原則； 綠色營運	10; 16-18

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note:</i> Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Energy and Water Consumption	15
A2 資源使用	一般披露 有效使用資源（包括能源、水及其他原材料）的政策。 <i>註：</i> 資源可用於生產、儲存、運輸、樓宇、電子設備等。	能源及水消耗	
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。	Energy and Water Consumption 能源及水消耗	15
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度（如以每產量單位、每項設施計算）。	Energy and Water Consumption 能源及水消耗	15
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	Energy and Water Consumption 能源及水消耗	15
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	Energy and Water Consumption 能源及水消耗	15
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位佔量。	The Group's business does not involve packaging material. 本集團的業務不涉及包裝材料。	N/A 不適用

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
A3 The Environment and Natural Resources	General Disclosure	Emissions; Waste;	11-13; 14;
	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Energy and Water Consumption; Green Operation	15; 16-18
A3 環境及天然資源	一般披露 減低發行人對環境及天然資源造成重大影響的政策。	排放物； 廢棄物； 能源及水消耗； 綠色營運	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響，及已採取管理有關影響的行動。	Emissions; Waste; Energy and Water Consumption; Green Operation 排放物； 廢棄物； 能源及水消耗； 綠色營運	11-13; 14; 15; 16-18
A4 Climate Change	General Disclosure	Climate Change	19
	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		
A4 氣候變化	一般披露 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	氣候變化	
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及已採取管理有關影響的行動。	Climate Change 氣候變化	19

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
Social			
社會			
B1 Employment	General Disclosure	Employment and Welfare	20-22
	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		
B1 僱傭	一般披露	僱傭及福利	
	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。		
B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region. 按性別、僱傭類型（如全職或兼職）、年齡組別及地區劃分的僱員總數。	Employment and Welfare 僱傭及福利	20-22
B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Employment and Welfare 僱傭及福利	20-22

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety	25-26
B2 健康與安全	一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	健康與安全	
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年（包括匯報年度）每年因工亡故的人數及比率。	Health and Safety 健康與安全	25-26
B2.2	Lost days due to work injury. 因工傷損失工作日數。	Health and Safety 健康與安全	25-26
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety 健康與安全	25-26

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note:</i> Training refers to vocational training. It may include internal and external courses paid by the employer.	Training and Development	23-24
B3 發展及培訓	一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 <i>註：</i> 培訓指職業培訓，可包括由僱主付費的內外部課程。	培訓與發展	
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層）劃分的受訓僱員百分比。	Training and Development 培訓與發展	23-24
B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Training and Development 培訓與發展	23-24

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B4 Labor Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment and Welfare	20-22
B4 勞工準則	一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	僱傭及福利	
B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例以避免童工及強制勞工的措施。	Employment and Welfare 僱傭及福利	20-22
B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Employment and Welfare 僱傭及福利	20-22

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	27
B5 供應鏈管理	一般披露 管理供應鏈的環境及社會風險政策。	供應鏈管理	
B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Supply Chain Management 供應鏈管理	27
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理	27
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理	27
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理	27

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality Assurance; Protection of Customer Data and Privacy; Protection of Intellectual Property Rights	28; 29; 30
B6 產品責任	一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	質量保證； 保障客戶數據及私隱； 保護知識產權	
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須召回的百分比。	Quality Assurance 質量保證	28
B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Quality Assurance 質量保證	28
B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Protection of Intellectual Property Rights 保護知識產權	30

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B6.4	Description of quality assurance process and recall procedures. 描述質量保證過程及產品召回程序。	Quality Assurance 質量保證	28
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者數據保護及私隱政策，以及相關執行及監察方法。	Protection of Customer Data and Privacy 保障客戶數據及私隱	29
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption	30
B7 反貪污	一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	反貪污	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Anti-corruption 反貪污	30
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-corruption 反貪污	30
B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	Anti-corruption 反貪污	30

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KPI 關鍵績效指標	Description 說明	Chapters/Explanation 章節／解釋	Page No. 頁數
B8 Community Investment	General Disclosure	Contributing to our Community	32
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		
B8 社區投資	一般披露	貢獻社區	
	有關以社區參與來了解發行人營運所在社區需要及確保其業務活動會考慮社區利益的政策。		
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Contributing to our Community	32
	專注貢獻範疇（如教育、環境事宜、勞工需求、健康、文化、體育）。	貢獻社區	
B8.2	Resources contributed to the focus area.	Contributing to our Community	32
	在專注範疇所動用資源。	貢獻社區	

The background is an abstract composition of various shades of green, ranging from light lime to deep forest green. It features a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and polygons, that create a sense of depth and movement. The shapes appear to radiate from the top right corner, creating a dynamic, sunburst-like effect. The overall texture is faceted and crystalline.

SK TARGET GROUP LIMITED
瑞強集團有限公司

SK TARGET GROUP LIMITED 瑞強集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：8427



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CORPORATE INFORMATION

公司資料

REGISTERED OFFICE IN CAYMAN ISLANDS

Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

18, Jalan LP 2A/2,
Taman Lestari Perdana,
43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1406-08, 14/F,
Austin Tower,
22-26 Austin Avenue,
Tsimshatsui, Kowloon, Hong Kong

EXECUTIVE DIRECTORS

Mr. Loh Swee Keong (*Chairman and Chief Executive Officer*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei
Mr. Chu Kin Ming (resigned on 15 November 2023)
Mr. Ma, She Shing Albert
Mr. Kwok Tsz Hin (appointed on 16 January 2024)

COMPANY SECRETARY

Mr. Leung Tze Wai, CPA

COMPLIANCE OFFICER

Mr. Loh Swee Keong

開曼群島註冊辦事處

Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

總部及馬來西亞主要營業地點

18, Jalan LP 2A/2,
Taman Lestari Perdana,
43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

香港主要營業地點

香港九龍尖沙咀
柯士甸路22-26號
好兆年行
14樓1406-08室

執行董事

Loh Swee Keong 先生 (主席兼行政總裁)

獨立非執行董事

邱家禧先生
朱健明先生 (於2023年11月15日辭任)
馬希聖先生
郭子軒先生 (於2024年1月16日獲委任)

公司秘書

梁子煒先生，註冊會計師

合規主任

Loh Swee Keong 先生

CORPORATE INFORMATION

公司資料

AUDIT COMMITTEE

Mr. Chu Kin Ming (*Chairman*) (resigned on 15 November 2023)
Mr. Yau Ka Hei (*Chairman*) (redesigned on 15 November 2023)
Mr. Ma, She Shing Albert
Mr. Kwok Tsz Hin (appointed on 16 January 2024)

REMUNERATION COMMITTEE

Mr. Yau Ka Hei (*Chairman*)
Mr. Chu Kin Ming (resigned on 15 November 2023)
Mr. Loh Swee Keong
Mr. Ma, She Shing Albert (appointed on 15 November 2023)

NOMINATION COMMITTEE

Mr. Loh Swee Keong (*Chairman*)
Mr. Yau Ka Hei
Mr. Ma, She Shing Albert

AUTHORIZED REPRESENTATIVE

Mr. Loh Swee Keong
Mr. Leung Tze Wai, CPA

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong

PRINCIPAL BANKER

CIMB Bank Berhad
Public Bank Berhad

審核委員會

朱健明先生 (主席) (於2023年11月15日辭任)
邱家禧先生 (主席) (於2023年11月15日獲調任)
馬希聖先生
郭子軒先生 (於2024年1月16日獲委任)

薪酬委員會

邱家禧先生 (主席)
朱健明先生 (於2023年11月15日辭任)
Loh Swee Keong 先生
馬希聖先生 (於2023年11月15日獲委任)

提名委員會

Loh Swee Keong 先生 (主席)
邱家禧先生
馬希聖先生

授權代表

Loh Swee Keong 先生
梁子煒先生，註冊會計師

開曼群島股份過戶登記總處

Ocorian Trust (Cayman) Limited
Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

CIMB Bank Berhad
Public Bank Berhad

CORPORATE INFORMATION

公司資料

AUDITORS

Crowe (HK) CPA Limited

(resigned on 26 June 2023)

McMillan Woods (Hong Kong) CPA Limited

(appointed on 26 June 2023)

COMPANY'S WEBSITE ADDRESS

www.sktargetgroup.com

STOCK CODE

8427

核數師

國富浩華(香港)會計師事務所有限公司

(於2023年6月26日辭任)

長青(香港)會計師事務所有限公司

(於2023年6月26日獲委任)

公司網址

www.sktargetgroup.com

股份代號

8427

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

I am pleased to present the annual results of SK Target Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 May 2024.

REVIEW

Since 2022, the economy was taking slow pace in recovery after the outbreak of coronavirus (“**COVID-19**”), while labour shortage and rise in material cost remains challenges and pressures to the Group.

The Group has experienced a slight increase in revenue of 1.25% for the year ended 31 May 2024 when as compared to the revenue for the year ended 31 May 2023. The revenue generated from the manufacturing and trading of precast concrete junction boxes business increased by approximately 20.16%, the other building materials and services business segment increased by approximately 4.19% and the sale of health supplement products business decreased by 100% as a result of the change in direction of business strategy and management has dedicated more resources on developing manufacturing and trading of precast concrete junction boxes business following the recovery from COVID-19.

The Group is cautiously optimistic about the overall business prospects.

The management of the Group is committed to looking for business opportunities that would generate long-term returns to the shareholders of the Company.

各位股東：

本人欣然提呈瑞強集團有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）截至2024年5月31日止年度的全年業績。

回顧

自2022年以來，冠狀病毒（「**COVID-19**」）爆發後，經濟復甦步伐緩慢，而勞工短缺及材料成本上漲仍為本集團面臨的挑戰及壓力。

較截至2023年5月31日止年度的收入相比，本集團截至2024年5月31日止年度的收入略微增加1.25%。自預製混凝土接線盒業務的製造及貿易產生的收入增加約20.16%，其他建築材料及服務業務分部產生的收入則增加約4.19%。由於業務策略方向的改變，以及管理層於COVID-19復甦後將更多資源用於發展預製混凝土接線盒的製造及貿易業務，保健產品銷售業務減少100%。

本集團對整體業務前景持審慎樂觀態度。

本集團的管理層致力於尋求可為本公司股東帶來長期回報的商機。

CHAIRMAN'S STATEMENT

主席報告書

PROSPECT

The Group is taking positive steps to maintain the Group's business operation and to build sustainable business operation for the Group in order to maximize the shareholders' return of the Company.

The Board will continue to monitor the business environment in Malaysia and Hong Kong and make appropriate adjustments to the Group's operations should there be a need.

APPRECIATION

Finally, on behalf of the Board, I would like to thank all shareholders and Board members for their support and efforts to the Group. I also express my sincere gratitude to our customers and business partners for their continued support, as well as to my colleagues and staffs for all their dedication, loyalty and contribution to the Group.

Loh Swee Keong

Chairman

Hong Kong, 29 August 2024

前景

本集團正積極採取措施來維持本集團的業務經營，實現本集團業務經營可持續發展，從而最大化本公司股東之回報。

董事會將繼續監控馬來西亞及香港的業務環境，並於需要時對本集團的經營作出恰當調整。

致謝

最後，本人謹代表董事會就所有股東及董事會成員對本集團的支持及努力衷心致謝。本人亦衷心感謝客戶及業務夥伴的持續支持，以及董事會同仁及職員對本集團的熱誠、忠誠及貢獻。

主席

Loh Swee Keong

香港，2024年8月29日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

The Group manufactures and sells precast concrete telecommunication junction boxes and precast concrete electrical junction boxes under our brand of “Target” in Malaysia. The Group’s precast concrete junction boxes are used in (i) telecommunication and electrical infrastructures upgrade and expansion works; and (ii) construction projects in Malaysia. They are buried underground to deter tampering and are used to house and protect a junction with telecommunication and electrical utility connection and distribution access points from weather, changing elevation underground and provide easy access for maintenance.

The Group has been a registered supplier or the approved supplier of various notable telecommunication companies such as Celcom Axiata Berhad and Telekom Malaysia (“**Telekom**”) since 2008 and the registered supplier of Tenaga National Bhd. (“**TNB**”), the sole electric utility company, in Malaysia since 2012. Hence, the Group’s precast concrete junction boxes are used in infrastructure or construction projects involving telecommunication companies and TNB.

For the year ended 31 May 2024, the revenue of the Group slightly increased by approximately 1.25%, the increase is mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junctions boxes business. Malaysia economy is steadily improve following the recovery from COVID-19.

Moreover, other factors which include labour shortage and dependency on foreign workers, and the rising production and transportation costs have exerted pressure on the Group’s business operations. Nevertheless, the Group remains cautiously optimistic about the overall business prospects.

FINANCIAL REVIEW

Revenue

The revenue slightly increased from approximately RM30.3 million for the year ended 31 May 2023 to approximately RM30.7 million for the year ended 31 May 2024, representing a slightly increase of approximately 1.25%. Such increase was mainly due to the increase in the revenue generated from the manufacturing and trading of precast junctions boxes business.

業務回顧及展望

本集團於馬來西亞製造及銷售「Target」品牌的預製混凝土電信接線盒及預製混凝土電力接線盒。本集團的預製混凝土接線盒用於馬來西亞的(i)電信及電力基建升級及擴建工程；及(ii)建築項目。它們埋藏於地下以防止損害，以及用作放置及保護與電信及電力設施連接的接線點以及分佈式接入點，免受天氣及地下高標轉變的影響，並提供通道方便維修。

本集團自2008年起為多家知名電信公司（如 Celcom Axiata Berhad及Telekom Malaysia（「**Telekom**」））的註冊供應商或認可供應商，以及自2012年起為Tenaga National Bhd.（「**TNB**」，馬來西亞唯一的電力公用事業公司）的註冊供應商。因此，本集團的預製混凝土接線盒可用於涉及電信公司及TNB的基建或建築項目。

截至2024年5月31日止年度，本集團收入略微增加約1.25%，該增加乃主要由於馬來西亞經濟隨著COVID-19復甦而穩步改善，導致預製混凝土接線盒的製造及貿易業務收入增加。

此外，勞工短缺與倚賴外勞以及生產及運輸成本上升等其他因素已對本集團的業務經營施加壓力。然而，本集團仍對整體業務前景持審慎樂觀態度。

財務回顧

收入

收入由截至2023年5月31日止年度約30.3百萬令吉略微增加至截至2024年5月31日止年度約30.7百萬令吉，略微增加約1.25%。有關增加乃主要由於預製混凝土接線盒的製造及貿易業務收入增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the manufacturing and trading of precast concrete junction boxes business, the revenue increased by approximately 20.16%, from approximately RM24.4 million for the year ended 31 May 2023 to approximately RM29.3 million for the year ended 31 May 2024. The increase was mainly due to Malaysia economy is steadily improve following the recovery from COVID-19.

For the trading of accessories and pipes and the provision of mobile crane rental and ancillary services business, the revenue slightly increased by approximately 4.19%, from approximately RM1.3 million for the year ended 31 May 2023 to approximately RM1.4 million for the year ended 31 May 2024. The increase was mainly due to the increase in transportation income in association with the increase in sales of precast junction boxes.

The sales of health supplements business and the sourcing services of materials business are temporary suspended due to change in direction of business strategy. Management has dedicated more resources on developing manufacturing and trading of precast concrete junction boxes business following the recovery from COVID-19.

Cost of sales and Gross Profit

Costs of sales mainly consists of (i) cost of raw materials and trading products; (ii) manufacturing overheads; (iii) direct labour; and (iv) crane hiring costs. The cost of sales slightly decreased from approximately RM23.4 million for the year ended 31 May 2023 to approximately RM22.1 million for the year ended 31 May 2024, representing a decrease of approximately 5.37%.

The total cost of sales from the manufacturing and sale of precast concrete junction boxes increased from approximately RM18.7 million for the year ended 31 May 2023 to approximately RM21.0 million for the year ended 31 May 2024, representing an increase of approximately of 12.42%.

The Gross Profit increased from approximately RM6.9 million for the year ended 31 May 2023 to approximately RM8.6 million for the year ended 31 May 2024. The increase is mainly due to the management is focussing on precast junction boxes with higher profit margin and better control in expense.

預製混凝土接線盒的製造及貿易業務收入增加約20.16%，由截至2023年5月31日止年度約24.4百萬令吉增加至截至2024年5月31日止年度約29.3百萬令吉。該增加乃主要由於馬來西亞經濟隨著COVID-19復甦而穩步改善。

配件及管道貿易以及提供移動式起重機租賃及配套服務業務的收入由截至2023年5月31日止年度約1.3百萬令吉略微增加約4.19%至截至2024年5月31日止年度約1.4百萬令吉。有關增加乃主要由於預製接線盒銷售增加所帶來的運輸收入增加。

由於業務策略方向的改變，保健產品銷售業務及物料採購服務業務暫時中止。管理層於COVID-19復甦後將更多資源用於發展預製混凝土接線盒的製造及貿易業務。

銷售成本及毛利

銷售成本主要包括(i)原材料及貿易產品成本；(ii)製造費用；(iii)直接勞工；及(iv)起重機租用成本。銷售成本由截至2023年5月31日止年度約23.4百萬令吉略微減少至截至2024年5月31日止年度約22.1百萬令吉，減幅約5.37%。

製造及銷售預製混凝土接線盒的總銷售成本由截至2023年5月31日止年度約18.7百萬令吉增加至截至2024年5月31日止年度約21.0百萬令吉，增幅約12.42%。

毛利由截至2023年5月31日止年度約6.9百萬令吉增加至截至2024年5月31日止年度約8.6百萬令吉。有關增加乃主要由於管理層專注於利潤率較高的預製接線盒及更好地控制開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Administrative expenses

Administrative expenses of the Group increased by approximately RM1.7 million or 38.74% from approximately RM4.3 million for the year ended 31 May 2023 to approximately RM6.0 million for the year ended 31 May 2024.

The Group's administrative expenses mainly consisted of salaries, welfare and other benefits, rent and rates, general office expenses, depreciation and professional service fees. The increase was mainly attributable to increase in staff cost and director remuneration.

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately RM0.13 million or 10.15% from approximately RM1.23 million for the year ended 31 May 2023 to approximately RM1.36 million for the year ended 31 May 2024. The increase is mainly attributable to the increase in bonus, commission, entertainment and travelling expenses in association with the increase in revenue.

The Group's selling and distribution expenses mainly consisted of salaries, welfare and other benefits for sales and marketing staff and travelling and entertainment expenses.

Profit for the year

The Group recorded a net profit of approximately RM108,000 for the year ended 31 May 2024 (2023: RM88,000) due to the net effect of (i) the increase in revenue for the year ended 31 May 2024; (ii) the decrease in cost of sales for the year ended 31 May 2024; and (iii) the increase in the administrative expenses incurred by the Group for the year ended 31 May 2024.

PRINCIPAL RISK AND UNCERTAINTIES

Operational risk

The Group's operation is subject to general economic and market risks which may affect the competition and profitability of construction projects. The Group's key risk exposures are summarised as follows:

- (a) Fluctuation in the prices of our major raw materials may have adverse impacts on the Group's financial results;

行政開支

本集團的行政開支由截至2023年5月31日止年度約4.3百萬令吉增加約1.7百萬令吉或38.74%至截至2024年5月31日止年度約6.0百萬令吉。

本集團的行政開支主要包括薪金、福利及其他福利、租金及差餉、一般辦公室開支、折舊及專業服務費。有關增加乃主要由於人工成本及董事薪酬增加所致。

銷售及分銷開支

本集團的銷售及分銷開支由截至2023年5月31日止年度約1.23百萬令吉增加約0.13百萬令吉或10.15%至截至2024年5月31日止年度約1.36百萬令吉。有關增加乃主要由於與收益增加有關的花紅、佣金、招待及差旅開支增加所致。

本集團的銷售及分銷開支主要包括銷售及市場推廣員工的薪金、福利及其他福利以及差旅及招待開支。

年內溢利

本集團於截至2024年5月31日止年度錄得淨溢利約108,000令吉（2023年：88,000令吉），乃由於(i)截至2024年5月31日止年度的收入增加；(ii)截至2024年5月31日止年度銷售成本減少；及(iii)截至2024年5月31日止年度本集團產生的行政開支增加的淨影響所致。

主要風險及不確定因素

經營風險

本集團的營運涉及可能影響建築項目的競爭及盈利能力的整體經濟及市場風險。本集團面臨的主要風險概述如下：

- (a) 主要原材料價格波動可能對本集團的財務業績造成不利影響；

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- (b) The Group's revenue is mainly derived from the manufacturing and sale of precast concrete junction boxes to its customers for infrastructure upgrades and expansion work for construction projects, which are non-recurrent in nature and there is no guarantee that the customers will place new business purchase orders; and
- (c) The Group's cash flow position may deteriorate due to a mismatch between the time of receipt of payments from its customers and payments to its suppliers if the Group is unable to manage its cash flow mismatch properly.

For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus of the Group dated 6 July 2017 (the "**Prospectus**").

Financial risks

As a manufacturer of precast concrete junction boxes, the Group has to purchase raw materials from its suppliers from time to time based on its procurement policy. The Group relies on cash inflow from its customers to meet its payment obligations to our suppliers. The Group's cash inflow is dependent on the prompt settlement of its payments. As at 31 May 2024, the Group recorded trade receivables amounting to approximately RM8.6 million, the number of trade receivables turnover days was approximately 106 days which exceeded the credit period stipulated on the Group's service agreements with its customers with average trade payable turnover days of approximately 79 days. The Group is exposed to credit risk and liquidity risk. For further details, please refer to note 28 to the consolidated financial statements.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 May 2024, the Group's cash and cash equivalents was approximately RM28.2 million (31 May 2023: approximately RM28.1 million).

As at 31 May 2024, the Group has no borrowings (31 May 2023: Nil).

As at 31 May 2024, the Group's current ratio was 3.00 (31 May 2023: 3.61), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was Nil as at 31 May 2024 and 31 May 2023, which is calculated based on the total interest-bearing loans divided by the total equity.

- (b) 本集團的收入主要來自為客戶就屬於非經常性的基建升級及建築項目的擴張工程製造及銷售預製混凝土接線盒，且概不保證客戶將發出新業務採購訂單；及
- (c) 倘本集團未能妥善管理現金流量錯配的情況，本集團的現金流量狀況可能因收到客戶付款與向供應商付款出現時間錯配而惡化。

有關本集團面臨的其他風險及不確定因素，請參閱本集團日期為2017年7月6日的招股章程（「招股章程」）「風險因素」一節。

財務風險

作為一家預製混凝土接線盒製造商，本集團須根據其採購政策不時向供應商採購原材料。本集團依賴來自客戶的現金流入以履行向供應商付款的責任。本集團的現金流入取決於迅速結清付款。於2024年5月31日，本集團錄得貿易應收款項約8.6百萬令吉，而貿易應收款項週轉日數約為106日，超過本集團與客戶訂立的服務協議所規定的信貸期，平均貿易應付款項週轉日數則約為79日。本集團面臨信貸風險及流動資金風險。進一步詳情請參閱綜合財務報表附註28。

流動資金及財務資源

於2024年5月31日，本集團的現金及現金等價物約為28.2百萬令吉（2023年5月31日：約28.1百萬令吉）。

於2024年5月31日，本集團並無借款（2023年5月31日：無）。

於2024年5月31日，本集團的流動比率為3.00倍（2023年5月31日：3.61倍），乃按總流動資產除以總流動負債計算。於2024年5月31日及2023年5月31日，資本負債比率為零，乃按總計息貸款除以權益總額計算。

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As at 31 May 2023 and 31 May 2024, the Group had no bank borrowings. The Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the year. The share capital of the Group only comprises of ordinary shares.

As at 31 May 2024, the share capital and equity attributable to owners of equity of the Company amounted to approximately RM6.0 million and approximately RM30.3 million respectively (31 May 2023: RM5.4 million and RM29.7 million respectively). Details of the capital risk management are set out in the note 27 to the consolidated financial statements.

CAPITAL COMMITMENTS

On 2 May 2024, the Purchaser (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell, the land use right of the Land at the Consideration of approximately RM7.95 million (approximately RM0.79 million has been paid as deposit). For details, please refer to announcement dated on 2 May 2024 and the circular dated on 31 May 2024.

Save for disclosed above, the Group has no capital commitments in respect of the acquisition of property, plant and equipment as at 31 May 2024 (31 May 2023: Nil).

EXPOSURE TO EXCHANGE RATE FLUCTUATION

Since a substantial amount of income and profit of our Group is denominated in Malaysian Ringgit ("RM"), any fluctuations in the value of RM may adversely affect the amount of dividends, if any, payable in HKD to our Shareholders. Furthermore, fluctuations in the RM's value against other currencies will create foreign currency translation gains or losses and may have an adverse effect on our Group's business, financial condition and results of operations. Any imposition, variation or removal of foreign exchange controls may adversely affect the value, translated or converted into HKD, of our Group's net assets, earnings or any declared dividends. Consequently, this may adversely affect our Group's ability to pay dividends or satisfy other foreign exchange requirements. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arises.

於2023年5月31日及2024年5月31日，本集團並無銀行借款。本集團的財務狀況穩健強大。憑藉可用的銀行結餘以及現金及銀行信貸融資，本集團擁有充裕的流動資金以滿足其資金需要。

資本架構

本集團的資本架構於年內概無變動。本集團的股本僅由普通股組成。

於2024年5月31日，本公司股權擁有人應佔股本及股權分別約為6.0百萬令吉及30.3百萬令吉（2023年5月31日：分別為5.4百萬令吉及29.7百萬令吉）。資本風險管理的詳情載於綜合財務報表附註27。

資本承擔

於2024年5月2日，買方（本公司全資附屬公司）與賣方訂立買賣協議，據此，買方同意按代價約7.95百萬令吉（已支付約0.79百萬令吉作為按金）購買該地塊的土地使用權，且賣方同意出售前述土地使用權。詳情請參閱日期為2024年5月2日的公佈及日期為2024年5月31日的通函。

除上文所披露者外，於2024年5月31日，本集團並無有關收購物業、廠房及設備的資本承擔（2023年5月31日：無）。

匯率波動風險

由於本集團大部分收入及溢利均以馬來西亞令吉（「令吉」）計值，令吉價值的任何波動均可能會對以港元計值的應付股東股息（如有）金額造成不利影響。再者，令吉兌其他貨幣的價值波動將會產生外匯匯兌收益或虧損，並可能會對本集團的業務、財務狀況及經營業績造成不利影響。任何外匯管制的實施、變動或解除均可能會對將本集團的淨資產、盈利或任何已宣派股息換算或兌換成港元的價值造成不利影響。因此，這可能會對本集團派付股息或滿足其他外匯需求的能力造成不利影響。本集團將密切監控其外幣風險，並於需要時考慮對沖重大外幣風險。

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CHARGE OVER ASSETS OF THE GROUP

As at 31 May 2024, the Group had bank deposits pledged with banks totalling approximately RM0.2 million (31 May 2023: approximately RM1.1 million). These deposits were to secure general banking facilities granted to the Group.

SIGNIFICANT INVESTMENTS HELD

As at 31 May 2024, the Company did not have any significant investments held.

MATERIAL ACQUISITIONS AND DISPOSALS, AND PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

On 2 May 2024, the Purchaser (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the land use right of the Land at the Consideration of RM7,952,313.00. Details of which are set forth on the announcement dated on 2 May 2024 and the circular dated on 31 May 2024.

Save for disclosed above, there were no material acquisitions and disposals of subsidiaries and affiliated companies during the year ended 31 May 2024. There is no specific future plan for material investments or capital assets as at the date of the report.

USE OF PROCEEDS FROM THE SHARE OFFER

The shares of the Company were listed on 19 July 2017 (the “Listing Date”) on the GEM by a way of a public offer and placing (collectively as the “Share Offer”) (the “Listing”). The net proceeds received by the Company from the Share Offer, after deducting underwriting fees and other expenses, were approximately HK\$29.6 million.

The net proceeds from the Listing have not been fully utilized up to the year ended 31 May 2024 in accordance with the expected timeline set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As disclosed in the Company’s announcement dated on 2 May 2024, having considered the latest business environment and development needs of the Group, the Board had resolved to change the use of unutilised proceeds from the Share Offer.

本集團的資產抵押

於2024年5月31日，本集團抵押予銀行的銀行存款合共約為0.2百萬令吉（2023年5月31日：約1.1百萬令吉）。該等存款乃抵押用作為授予本集團的一般銀行信貸提供擔保。

所持重大投資

於2024年5月31日，本公司並無持有任何重大投資。

重大收購及出售以及重大投資或資本資產計劃

於2024年5月2日，買方（本公司全資附屬公司）與賣方訂立買賣協議，據此，買方同意按代價7,952,313.00令吉購買該地塊的土地使用權，且賣方同意出售前述土地使用權。有關詳情載於日期為2024年5月2日的公佈及日期為2024年5月31日的通函。

除上文所披露者外，於截至2024年5月31日止年度，概無附屬公司及聯營公司的重大收購及出售事項。於本報告日期，概無重大投資或資本資產的特定未來計劃。

股份發售的所得款項用途

本公司股份於2017年7月19日（「上市日期」）以公開發售及配售形式（統稱「股份發售」）於GEM上市（「上市」）。本公司自股份發售所收取的所得款項淨額（經扣除包銷費及其他開支）約為29.6百萬港元。

直至截至2024年5月31日止年度，上市所得款項淨額並未根據招股章程「未來計劃及所得款項用途」一節所載預期時間表獲悉數動用。

誠如本公司日期為2024年5月2日的公佈所披露，經考慮本集團的最新業務環境及發展需要，董事會已議決更改股份發售未動用所得款項的用途。

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The following table sets out the net proceeds from the Share Offer, the reallocated unutilised proceeds and the utilised amount up to the year ended 31 May 2024.

下表載列股份發售所得款項淨額、重新分配的未動用所得款項及直至截至2024年5月31日止年度的已動用金額。

		Planned use of net proceeds from the Share Offer	Actual use of net proceeds from the Listing Date to 2 May 2024	Unutilised proceeds up to 2 May 2024	Reallocated unutilised proceeds as at 2 May 2024	Utilised amount after reallocation for the year ended 31 May 2024	Utilised proceeds up to 31 May 2024	Expected timeframe for intended use
		股份發售的所得款項淨額的計劃用途 HK\$ million 百萬港元	2024年5月2日的所得款項淨額的實際用途 HK\$ million 百萬港元	2024年5月2日的未動用所得款項 HK\$ million 百萬港元	2024年5月2日重新分配的未動用所得款項 HK\$ million 百萬港元	2024年5月31日止年度重新分配後的已動用金額 HK\$ million 百萬港元	直至2024年5月31日已動用所得款項 HK\$ million 百萬港元	擬定用途的預期時間表
Expansion of production capacity through	透過以下方式擴大產能							
(i) expanding our Existing Selangor Plant	(i) 擴充現有雪蘭莪廠房	7.0	(6.0)	1.0	-	-	-	
(ii) completing the establishment of our New Kulaijaya Plant and	(ii) 完成建立新古來再也廠房及	7.3	(2.4)	4.9	-	-	-	
(iii) recruiting new staffs (note b)	(iii) 招聘新員工 (附註b)	2.6	(2.2)	0.4	0.8	(0.2)	0.6	Intended to use up the remaining fund by 31 May 2025 擬於2025年5月31日前悉數動用餘下資金
Acquisition of a parcel of land in Southern Malaysia	收購馬來西亞南部的地塊	8.4	-	8.4	-	-	-	
Expansion of our business vertically in the supply chain of the precast concrete junction box industry through mergers and acquisitions	透過併購在預製混凝土接線盒行業的供應鏈垂直拓展業務	2.7	-	2.7	-	-	-	
Expansion of our sales and marketing team	擴大銷售及市場推廣團隊	0.8	(0.8)	-	-	-	-	
General working capital	一般營運資金	0.8	(0.8)	-	-	-	-	
Acquisition of land use right of the Land in Selangor, Malaysia	收購馬來西亞雪蘭莪的該地塊的土地使用權	-	-	-	13.2	(1.3) Note (c) 附註(c)	11.9	Intended to use up the remaining fund by 31 May 2025 擬於2025年5月31日前悉數動用餘下資金
Development cost of self-used factory on the Land and purchase of equipment and fixtures	該地塊自用廠房的開發成本及購買設備及機械	-	-	-	3.4	-	3.4	Intended to use up the remaining fund by 31 May 2025 擬於2025年5月31日前悉數動用餘下資金
		29.6	(12.2)	17.4	17.4	(1.5)	15.9	

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Notes:

- (a) The unused Listing proceeds have been deposited in licensed banks in Malaysia and Hong Kong.
- (b) The funds have been utilized on recruiting and salaries of staffs for the expansion and renovation works.
- (c) Being the deposit paid under the sale and purchase agreement dated 2 May 2024 in relation to the acquisition of the land use right in Selengor, details of which are set forth in the announcement of the Company dated 2 May 2024 and circular dated 31 May 2024.

As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds.

CONTINGENT LIABILITIES

As at 31 May 2023 and 31 May 2024, the Group had no material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 May 2024, we had 69 employees who are located in Malaysia and the Hong Kong Special Administrative Region. The Group generally recruits employees from the open market by placing recruitment advertisements. The Group entered into individual labour contracts with each of the employees in accordance with the applicable labour laws of Malaysia and the Hong Kong Special Administrative Region, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package that the Group offers to the employees includes salary, bonuses, allowances and medical benefits. In general, the Group determines a Director's and an employee's salary based on the Director's and the employee's qualifications, experience and capability and the prevailing market remuneration rate. The Group has designed a review system to assess the performance of our employees once a year, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions. The long term incentive scheme of the Group include a share option scheme.

附註：

- (a) 未動用的上市所得款項乃存置於馬來西亞及香港的持牌銀行。
- (b) 有關資金已就擴建及翻修工程有關的員工招聘及薪資結付而動用。
- (c) 作為根據日期為2024年5月2日的買賣協議支付的訂金，該協議涉及於雪蘭莪收購土地使用權，詳情載於本公司日期為2024年5月2日的公佈及日期為2024年5月31日的通函。

於本報告日期，董事預計有關所得款項用途的計劃不會出現任何變動。

或然負債

於2023年5月31日及2024年5月31日，本集團概無任何重大或然負債。

僱員及薪酬政策

於2024年5月31日，我們在馬來西亞及香港特別行政區有69名僱員。本集團通常透過刊登招聘廣告從公開市場招聘僱員。本集團根據馬來西亞及香港特別行政區的適用勞動法例與每名僱員訂立個別的勞工合約，當中涵蓋工資、僱員福利及終止理由等事宜。本集團向僱員提供的薪酬方案包括薪金、花紅、津貼及醫療福利。一般而言，本集團按照董事及僱員的資格、經驗及能力以及當前的市場薪酬水平釐定各董事及僱員的薪金。本集團已設計一個審核制度，以就僱員表現每年進行一次評估，此構成我們對薪金調整、花紅及晉升方面所作決定的基準。本集團長期激勵計劃包括一項購股權計劃。

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FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST TWELVE MONTHS

本公司於過去十二個月內的集資活動

Date of announcement	Fund raising activity	Net proceeds to be raised (approximately)	Proposed use of net proceeds	Actual use of net proceeds
公佈日期	集資活動	集資所得款項 淨額（約整）	所得款項淨額 擬定用途	所得款項淨額 實際用途
7 June 2023 (completed on 16 June 2023)	Subscription of new Shares under general mandate granted on 23 November 2022	HK\$1.02 million	For repayment of promissory note	Used as intended (up to report date)
2023年6月7日 (於2023年6月16日完成)	根據於2022年11月23日授出 的一般授權認購新股份	1.02百萬港元	用作償還承兌票據	用作擬定用途 (截至報告日期)
27 June 2024 (completed on 17 July 2024)	Subscription of new Shares under general mandate granted on 22 November 2023	HK\$2.10 million	For repayment of promissory note	Partially (HK\$0.48 million) used as intended and the remaining has not been utilized (up to report date)
2024年6月27日 (於2024年7月17日完成)	根據於2023年11月22日授出 的一般授權認購新股份	2.10百萬港元	用作償還承兌票據	部分（0.48百萬港元） 用作擬定用途及剩餘 部分尚未動用 (截至報告日期)

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SUBSEQUENT EVENTS AFTER REPORTING PERIOD

On 2 May 2024 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the land use right of the Land at the Consideration of approximately RM7.9 million (the “**Acquisition**”). An extraordinary general meeting was held on 18 June 2024 to approve the Acquisition, the resolution was duly passed by shareholders.

On 27 June 2024 (after the trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company would allot and issue, and the Subscriber would subscribe for an aggregate of 27,252,720 Subscription Shares at the Subscription Price of HK\$0.08 per Subscription Share. The net proceeds from the subscription after deducting related professional fees and related expenses are approximately HK\$2,100,000. The Share Subscription was completed on 17 July 2024.

On 2 August 2024, an ordinary resolution was passed on share consolidation (“**Share Consolidation**”). According to the resolution, every 10 issued and unissued existing shares of par value HK\$0.08 each in the share capital of the Company would be consolidated into 1 consolidated share of par value HK\$0.8 each. The Share Consolidation became effective on 6 August 2024.

On 16 August 2024 (after trading hours), the Company entered into the sale and purchase agreement with the Vendor, pursuant to which the Wanshun Technology Industrial Group Limited (the “**Vendor**”) conditionally agreed to sell, and the Company conditionally agreed to acquire, the entire equity interest of the target company (a company to be incorporated in Hong Kong with limited liability which will hold the entire equity interest of a company incorporated in the People’s Republic of China, which in turn holds the entire equity interest of Shenzhen Wanshunfu Smart Life Service Company Limited (“**Shenzhen Wanshunfu**”). The consideration is HK\$5.5 million and shall be satisfied by way of issue of the promissory note by the Company on the completion date. The consideration was determined by the parties after arm’s length negotiations with reference to the adjusted net asset value of Shenzhen Wanshunfu (assuming reorganisation has taken place), which is approximately HK\$5.53 million.

報告期後事項

於2024年5月2日（交易時段後），買方（本公司全資附屬公司）與賣方訂立買賣協議，據此，買方同意按代價約7.9百萬令吉購買該地塊的土地使用權，且賣方同意出售前述土地使用權（「**收購事項**」）。本公司於2024年6月18日舉行股東特別大會以批准收購事項，決議案已由股東正式通過。

於2024年6月27日（交易時段後），本公司與認購人訂立認購協議，據此，本公司將配發及發行，而認購人將認購合共27,252,720股認購股份，認購價為每股認購股份0.08港元。認購事項之所得款項淨額（經扣除相關專業費用及相關開支）約為2,100,000港元。股份認購於2024年7月17日完成。

於2024年8月2日，有關股份合併（「**股份合併**」）的普通決議案獲通過。根據該決議案，本公司股本中每十股每股面值0.08港元的已發行及未發行現有股份將合併為一股每股面值0.8港元的合併股份。股份合併自2024年8月6日起生效。

於2024年8月16日（交易時段後），本公司與賣方訂立買賣協議，據此，Wanshun Technology Industrial Group Limited（「**賣方**」）有條件同意出售，且本公司有條件同意收購目標公司（一家將於香港註冊成立的有限公司，持有一家於中華人民共和國註冊成立的公司的全部股權，而該公司持有深圳萬順福智慧生活服務有限公司（「**深圳萬順福**」）的全部股權）的全部股權。代價為5.5百萬港元，且將於完成日期由本公司以發行承兌票據的方式支付。代價乃由訂約方經參考深圳萬順福（假設重組已完成）的經調整資產淨值後公平磋商釐定，約為5.53百萬港元。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

EXECUTIVE DIRECTORS

Mr. Loh Swee Keong, aged 58, is the founder of the Group. He was appointed to the Board on 28 October 2016 and is the chairman of the Nomination Committee of the Company. He is responsible for the overall business strategy, approving annual budget proposals, and major business decisions of the group. Mr. Loh has over 20 years of work experience in the precast concrete junction box industry. Mr. Loh completed his secondary school from five level education in Tsung Wah National Type Secondary School, Kuala Kangsar, Perak, Malaysia in November 1985.

Before establishing the group, Mr. Loh established a sole proprietorship under the name Jackson Trading in 1989, where he was primarily involved in the supply of ready-mix concrete to construction companies in Malaysia. In March 1993, Mr. Loh co-founded Target Precast, an indirect wholly-owned subsidiary of the Group which was at that time primarily involved in the supply of ready-mix concrete to construction companies, negotiating business with customers and responsible for the daily operations of the group. In 1995, Mr. Loh, for the first time, manufactured the moulds using the then existing technology for precast concrete junction boxes and commenced the production and manufacturing of precast junction concrete boxes to customers.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei (邱家禧), aged 42, was appointed as our Independent Non-executive Director of the Company with effect from 27 June 2017 and is a member of the Nomination Committee and the chairman of the Audit Committee and the Remuneration Committee of the Company. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants. He obtained his Bachelor's Degree of Business Administration in Business Economics from the City University of Hong Kong in November 2007. Mr. Yau has over 10 years experiences in accounting and auditing.

He is currently the finance manager of a Hong Kong company, which engages in energy trading business.

執行董事

Loh Swee Keong先生，58歲，為本集團的創辦人。彼於2016年10月28日獲委任加入董事會，並為本公司提名委員會主席。彼負責整體業務策略、審批年度預算建議書及本集團的主要業務決策。Loh先生於預製混凝土接線盒行業擁有超過20年工作經驗。Loh先生於1985年11月於馬來西亞霹靂州江沙縣的Tsung Wah National Type Secondary School完成中學第五級課程。

於成立本集團前，Loh先生於1989年以Jackson Trading的名稱成立一家獨資企業，當中彼主要向馬來西亞的建築公司供應預拌混凝土。1993年3月，Loh先生共同創辦Target Precast（本集團的間接全資附屬公司），當時主要向建築公司供應預拌混凝土、與客戶洽談業務及負責本集團的日常營運。1995年，Loh先生採用當時現有技術首次製造預製混凝土接線盒模具，並開始為客戶生產及製造預製混凝土接線盒。

獨立非執行董事

邱家禧先生，42歲，獲委任為本公司獨立非執行董事，自2017年6月27日起生效，並為本公司提名委員會成員以及審核委員會及薪酬委員會主席。邱先生為香港會計師公會的會員。彼於2007年11月於香港城市大學取得工商管理（商業經濟學）學士學位。邱先生於會計及審計方面擁有逾10年經驗。

彼現時為一家香港公司的財務經理，從事能源交易業務。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

Mr. Ma, She Shing Albert (馬希聖), aged 64, graduated from Pomona College, California, USA with a Bachelor of Arts Degree in 1983. Mr. Ma possesses extensive experience in corporate banking and private banking in major USA and European financial institutions. He was previously a vice president of a renowned USA investment bank in Hong Kong. He is currently a general manager of Incu Corporate Finance Limited, a consulting firm, where he is responsible for office administration.

Mr. Kwok Tsz Hin (郭子軒), aged 27, graduated from University of Newcastle, United Kingdom with a Bachelor of Science with Second Class (Division II) Honours Business Marketing in 2019. Between September 2019 and December 2021, he worked in various private companies as marketing executive and business development manager. Since January 2022, he has joined a trading company which engaged in trading of building materials in Hong Kong and China.

SENIOR MANAGEMENT

Mr Low Yew Kuan, aged 58, is the Head of Finance of the Malaysia's subsidiaries of the Group. He is responsible for the daily operations and the financial and accounting activities of the group. Mr Low obtained his Bachelor's Degree in Business Administration from the RMIT University, Melbourne in Jan 2001. He was further admitted as a fellow of the Institute of Financial Accountants in the United Kingdom in June 2005 and the Institute of Public Accountants, Melbourne, Australia in June 2015. Mr Low has over 30 years of experience in the manufacturing and accounting field.

Before joining our Group in January 2018, Mr Low worked as Accounts Manager in the Finance Division of Viscount Plastics Industry Sdn Bhd for the period from February 1992 to May 2005. In June 2005, Mr Low joined Lam Seng Plastics Sdn Bhd as Finance & Admin Manager. In May 2012, Mr Low worked as Finance Manager of the Finance Department in KMC Packaging Sdn Bhd, a wholly-owned subsidiary of a Singaporean listed company. He was later promoted as Acting General Manager in year 2016. In 2016, Mr Low joined Crown Beverage Cans (Malaysia) Sdn Bhd (a wholly-owned subsidiary of Crown which is listed on the New York Stock Exchange) as Head of Finance.

馬希聖先生，64歲，於1983年畢業於美國加州波莫納學院(Pomona College)，獲得文學士學位。馬先生於美國及歐洲大型金融機構的企業銀行及私人銀行領域擁有豐富經驗。他曾擔任香港一家著名美國投資銀行之副總裁。彼現任衍丰企業融資有限公司（一間顧問公司）總經理，負責辦公室行政。

郭子軒先生，27歲，於2019年畢業於英國紐卡斯爾大學，取得二等（二級）榮譽商業市場營銷理學學士學位。於2019年9月至2021年12月，彼於多家私人公司擔任營銷主管及業務發展經理。自2022年1月起，彼加入一間於香港及中國從事建築材料貿易的貿易公司。

高級管理層

Low Yew Kuan先生，58歲，為本集團馬來西亞附屬公司的財務主管。彼負責該集團的日常營運及財務和會計活動。Low先生於2001年1月於墨爾本的皇家墨爾本理工大學取得工商管理學士學位。彼於2005年6月進一步獲認許為英國財務會計師公會的資深會員，並於2015年6月獲認許為澳洲墨爾本公共會計師公會的資深會員。Low先生於製造及會計業擁有超過30年經驗。

於2018年1月加入本集團前，Low先生於1992年2月至2005年5月期間於Viscount Plastics Industry Sdn Bhd的財務部任職會計經理。2005年6月，Low先生加入Lam Seng Plastics Sdn Bhd，任職財務及行政經理。2012年5月，Low先生任職KMC Packaging Sdn Bhd（一間新加坡上市公司全資擁有的附屬公司）財務部的財務經理。彼其後於2016年晉升為總經理（代行）。於2016年，Low先生加入Crown Beverage Cans (Malaysia) Sdn Bhd（一間紐約證券交易所上市公司Crown全資擁有的附屬公司），任職財務總監。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

Mr. Leung Tze Wai (梁子煒), aged 41, was appointed as the Company Secretary on 1 November 2018. He holds a Bachelor Degree of Commerce (Accounting) from the University of Adelaide, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia and is currently the Finance Manager of the Company. He has over 10 years' experience in the auditing, accounting and financial sectors.

Ms. Siew Poi Voon, aged 48 is the Factory Manager. She is responsible for overseeing the manufacturing and operations of the production activities of the Group. Ms. Siew joined the Group as a Human Resource and Administration Executive in March 2013 and was promoted as our Assistant Factory Manager in April 2015. Ms. Siew was subsequently appointed as our Factory Manager in August 2016. Ms. Siew obtained a Bachelor's Degree in Human Development from the University Putra Malaysia in July 2001.

From August 2001 to March 2003, Ms. Siew worked as the Human Resource Officer of YP Precision (M) Sdn. Bhd. where she was responsible for general human resource functions which include payroll, training and development, recruitment as well as matters pertaining to foreign workers in the company. She subsequently joined the Delcol Water Solution Sdn. Bhd. in April 2003 as a Human Resource Executive. In December 2007, Ms. Siew joined Jordone Corporation Sdn. Bhd. as a Human Resource and Administration Executive. She was subsequently promoted to the post of Assistant Administrative Manager in August 2009 where she was responsible for the company's purchasing, advertising and branding (including media and branding) as well as general administration duties.

梁子煒先生，41歲，已於2018年11月1日獲委任為公司秘書。彼持有澳洲阿德雷德大學商業（會計）學士學位。彼為香港會計師公會會員及澳洲執業會計師公會會員以及現任本公司財務經理。彼於審計、會計及財務領域擁有逾10年經驗。

Siew Poi Voon女士，48歲，為廠長。彼負責監督本集團的製造事宜及生產活動營運。Siew女士於2013年3月加入本集團任職人力資源及行政主任，並於2015年4月晉升為我們的助理廠長。Siew女士其後於2016年8月獲委任為廠長。Siew女士於2001年7月從馬來西亞博特拉大學獲得人力資源發展學士學位。

於2001年8月至2003年3月，Siew女士擔任YP Precision (M) Sdn. Bhd.的人力資源主任，負責一般人力資源職能，當中包括發薪、培訓和發展、招聘以及與公司的外國工人有關的事宜。彼其後於2003年4月加入Delcol Water Solution Sdn. Bhd.任職人力資源主任。2007年12月，Siew女士加入Jordone Corporation Sdn. Bhd.任職人力資源及行政主任。彼後來於2009年8月晉升至助理行政經理的職位，負責公司的採購、廣告宣傳及品牌推廣（包括媒體及品牌推廣）以及一般行政職責。

REPORT OF THE DIRECTORS

董事會報告

The Board is pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 May 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company's subsidiaries are set out in note 31 to the consolidated financial statements. The Group is principally engaged in (i) manufacturing and trading of precast junction boxes, (ii) trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia (iii) sourcing services and (iv) sales of health supplement products in Hong Kong.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any relief from taxation to which the Shareholders are entitled by reason of their holding of the Shares.

CORPORATE GOVERNANCE

Details of the corporate governance practices adopted by the Company are set out in the "Corporate Governance Report" on pages 35 to 56 of this annual report.

SEGMENT INFORMATION

Analysis of the Group's turnover and contribution by principal business segments during the Year are set out in note 5 to the consolidated financial statements.

董事會欣然提呈其年報，連同本集團截至2024年5月31日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司附屬公司的主要業務及其他詳情載於綜合財務報表附註31。本集團主要於馬來西亞從事(i)預製接線盒的製造及貿易；(ii)配件及管道貿易以及提供移動式起重機租賃及配套服務；及於香港從事(iii)採購服務；及(iv)銷售保健產品。

遵守相關法例及規例

年內，本集團一直遵守對其業務有重大影響的相關法例及規例。

上市證券持有人的稅務寬減及豁免

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

企業管治

本公司採納的企業管治常規詳情載於本年報第35至56頁的「企業管治報告」。

分部資料

本集團於年內的主要業務分部營業額及貢獻的分析載於綜合財務報表附註5。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW

Details of business review of the Group for the year ended 31 May 2024 is set out in the section headed “Chairman’s Statement” on pages 6 to 7 and the business review and outlook of the Group is set out in the section headed “Management Discussion and Analysis” on pages 8 to 17 of this annual report. The discussion and analysis of the Group’s performance during the year and the material factor underlying its financial performance and financial position are set out in “Management Discussion and Analysis” on pages 8 to 17 respectively.

RESULTS AND DIVIDENDS

The result of the Group for the year ended 31 May 2024 and the state of the affairs of the Group as at that date are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 65.

The Board does not recommend the payment of final dividend for the year ended 31 May 2024 (2023: Nil).

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

FINANCIAL SUMMARY

A summary of published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statement, is set out on page 164 on this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements.

業務回顧

本集團截至2024年5月31日止年度的業務回顧詳情載於本年報第6至7頁的「主席報告書」一節，而本集團的業務回顧及前景則載於第8至17頁的「管理層討論及分析」一節。本集團年內表現的討論及分析以及有關其財務表現及財務狀況的重大因素分別載於第8至17頁的「管理層討論及分析」。

業績及股息

本集團截至2024年5月31日止年度的業績及其於該日的事務狀況載於第65頁的綜合損益及其他全面收益表。

截至2024年5月31日止年度，董事會不建議派付末期股息（2023年：無）。

概無本公司股東放棄或同意放棄任何股息的安排。

財務概要

本集團於過去五個財政年度刊發的業績、資產及負債概要（摘錄自經審核財務報表）載於本年報第164頁。此概要並非經審核綜合財務報表的一部分。

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註13。

REPORT OF THE DIRECTORS

董事會報告

SHARE CAPITAL

Details of the Company's share capital and movements during the Year are set out in note 25 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in the Consolidated Statement of Financial Position and in the Consolidated Statement of Changes in Equity set out on pages 69 respectively.

DISTRIBUTION RESERVES

As at 31 May 2024, the Company's reserve available for distribution which consists of retained profit and the aggregate amount of reserves available for distribution to equity shareholders of the Company is RM21.2 million (2023: RM21.1 million).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the law of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 May 2024.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises that our employees, customers and suppliers are key stakeholders to the Group's success. The Group strive to achieve corporate sustainability through engaging employees, providing quality products and services to our customers, collaborating with suppliers to deliver quality sustainable products and services and supporting our community.

股本

本公司的股本及年內變動詳情載於綜合財務報表附註25。

儲備

本公司及本集團於年內的儲備變動詳情分別載於第69頁所載的綜合財務狀況表及綜合權益變動表。

分派儲備

於2024年5月31日，本公司可分派儲備包括保留溢利及可分派予本公司權益股東的儲備總額為21.2百萬令吉（2023年：21.1百萬令吉）。

優先購買權

本公司組織章程細則或開曼群島法例並無有關優先購買權的條文，致使本公司須按比例向現有股東發售新股。

購買、出售或贖回上市證券

截至2024年5月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

與利益相關者的關係

本集團瞭解，僱員、客戶及供應商為本集團取得成功的關鍵利益相關者。本集團透過激勵僱員、向客戶提供優質產品及服務、與供應商合作以提供優質及可持續的產品及服務，以及支持社區發展，致力實現企業可持續性。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the top five customers together accounted for approximately 21.70% of the Group's revenue and the Group's largest customer accounted for approximately 5.35% of the Group's revenue.

During the Year, the top five suppliers together accounted for approximately 54.09% of the Group's purchases and the Group's largest supplier accounted for approximately 15.99% of the Group's purchases.

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in these major customers and suppliers.

DIRECTORS

During the Year and up to the date of this annual report, the Directors were:

Executive Directors

Mr. Loh Swee Keong (*Chairman and Chief Executive Officer*)

Independent Non-Executive Directors

Mr. Yau Ka Hei

Mr. Chu Kin Ming (resigned on 15 November 2023)

Mr. Ma, She Shing Albert

Mr. Kwok Tsz Hin (appointed on 16 January 2024)

By virtue of Article 108 of the articles of association of the Company, Mr. Yau Ka Hei and Mr. Kwok Tsz Hin shall retire at the forthcoming AGM and, being eligible, shall offer themselves for re-election at the said meeting.

主要客戶及供應商

年內，五大客戶合共佔本集團收入約21.70%，而本集團最大客戶則佔本集團收入約5.35%。

年內，五大供應商合共佔本集團採購額約54.09%，而本集團最大供應商則佔本集團採購額約15.99%。

概無董事、彼等任何緊密聯繫人或任何股東（據董事所盡悉，擁有超過本公司已發行股本的5%）於該等主要客戶及供應商擁有任何實益權益。

董事

於年內及直至本年報日期為止，董事為：

執行董事

Loh Swee Keong先生（主席兼行政總裁）

獨立非執行董事

邱家禧先生

朱健明先生（於2023年11月15日辭任）

馬希聖先生

郭子軒先生（於2024年1月16日獲委任）

根據本公司組織章程細則第108條，邱家禧先生及郭子軒先生將於應屆股東週年大會上退任，而彼等符合資格及願意於該大會上重選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACT

The Executive Director, namely Mr. Loh Swee Keong has entered into a service or an appointment contract with the Company for a fixed term of three years, which may be terminated by not less than three months' written notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in Articles.

Each of the Independent Non-executive Directors has entered into a service contract or an appointment letter with the Company for a fixed term of one to three years, which may be terminated by not less than one month's written notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in Articles.

None of the Directors (including those proposed for re-election at the forthcoming annual general meeting) has a service contract or an appointment letter which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographies details of Directors and senior management are set out on pages 18 to 20.

DIRECTORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID INDIVIDUALS' REMUNERATION

Details of the Directors' remuneration and the five highest paid individual's remuneration are set out in notes 6 and 7 to the consolidated financial statements.

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year and at any time during the year ended 31 May 2024.

董事的服務合約

執行董事（即Loh Swee Keong先生）已與本公司訂立服務合約或委任書，固定年期為期三年，可由任何一方向另一方發出不少於三個月的書面通知終止，並須受當中所述終止條文及細則所載董事輪值退任條文所規限。

各獨立非執行董事已與本公司訂立服務合約或委任書，固定年期為期一至三年，可由任何一方向另一方發出不少於一個月的書面通知終止，並須受當中所述終止條文及細則所載董事輪值退任條文所規限。

概無董事（包括於應屆股東週年大會上獲提名重選連任的董事）訂有本集團不可於一年內終止而不作補償（法定補償除外）的服務合約或委任書。

董事及高級管理層履歷詳情

董事及高級管理層履歷詳情載於第18至20頁。

董事、主要行政人員及五名最高薪酬人士的薪酬

董事及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註6及7。

董事於交易、安排及合約的權益

本公司或其任何附屬公司概無訂立一名董事直接或間接於其中擁有重大權益，並且於年終及截至2024年5月31日止年度任何時間仍然生效的重大交易、安排或合約。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS OF CONTROLLING SHAREHOLDERS IN CONTRACTS

No contract of significance has been entered during the year ended 31 May 2024 between the Company or any of its subsidiaries and the controlling shareholders or any its subsidiaries.

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into or existed during the year ended 31 May 2024.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 May 2024.

DEED OF NON-COMPETITION

The controlling shareholders, namely Mr. Loh Swee Keong and the company through which he holds equity interests in the Company, namely Merchant World Investments Limited, have entered into a Deed of Non-Competition with the Company on 27 June 2017. The details of the Deed of Non-Competition have been disclosed in the Prospectus.

The controlling shareholders have confirmed with the Company that they had complied with the non-competition undertakings during the year ended 31 May 2024. The Directors (including the Independent Non-executive Directors) have reviewed and confirmed the compliance with the non-competition undertaking by the controlling shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as of the date of this report, there is sufficient public float or not less than 25% of the Shares are in the hands of the public as required under the GEM Listing Rules.

COMPETING BUSINESS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at 31 May 2024, none of the Directors, nor the controlling shareholders of the Company and any of their respective close associates has any interest in a business which competes or likely to compete, either directly or indirectly, with the business of the Group.

控股股東於合約的權益

截至2024年5月31日止年度，本公司或其任何附屬公司及控股股東或其任何附屬公司概無訂立任何重大合約。

截至2024年5月31日止年度，概無就本公司或其任何附屬公司控股股東向本公司或其任何附屬公司提供服務而訂立或存續任何重大合約。

管理合約

截至2024年5月31日止年度，概無訂立或存續有關本公司全部或任何大部分業務的管理及行政合約。

不競爭契據

控股股東（即Loh Swee Keong先生及彼透過其持有本公司股權的公司Merchant World Investments Limited）已於2017年6月27日與本公司訂立不競爭契據。不競爭契據的詳情已於招股章程披露。

控股股東已向本公司確認，彼等於截至2024年5月31日止年度一直遵守不競爭承諾。董事（包括獨立非執行董事）已審閱及確認控股股東遵守不競爭承諾的情況。

足夠公眾持股量

根據本公司公開可得資料及就董事所知，截至本報告日期，本公司有足夠公眾持股量或不少於25%股份按GEM上市規則規定由公眾持有。

董事及控股股東之競爭業務

於2024年5月31日，概無董事、本公司控股股東及彼等各自的任何緊密聯繫人在與本集團業務造成或可能造成直接或間接競爭的業務中擁有任何權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATION

As at 31 May 2024, the interests and short position of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Ordinary Shares of the Company

董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉

於2024年5月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的權益及淡倉，或(iii)根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

本公司普通股

Name	Capacity/ Nature of Interest	Number of issued ordinary shares held/ interested (Note 1) 所持／擁有 權益之已發行 普通股數目 (附註1)	Approximate percentage of issued share capital of the Company 佔本公司 已發行股本 概約百分比
姓名	身份／權益性質		
Mr. Loh Swee Keong (Note 2) Loh Swee Keong 先生 (附註2)	Interest in controlled corporation 受控制法團權益	29,827,500 (L)	21.89%

Notes:

附註：

- (1) The letter (L) denotes the person's long interest in the Shares.
- (2) Merchant World Investments Limited is a company incorporated in the BVI and is wholly-owned by Mr. Loh Swee Keong. Mr. Loh Swee Keong is deemed to be interested in all the Shares held by Merchant World Investments Limited for the purpose of the SFO.

- (1) 英文字母(L)表示該人士於股份的好倉。
- (2) Merchant World Investments Limited為一家於英屬處女群島註冊成立的公司，並由Loh Swee Keong先生全資擁有。根據證券及期貨條例，Loh Swee Keong先生被視為於由Merchant World Investments Limited持有的全部股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

Save for disclosed above, as at 31 May 2024, none of the Directors and chief executive of the Company had any interests or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provision of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 May 2024, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 and SFO were as follows:

除上文所披露者外，於2024年5月31日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的任何權益或淡倉，或(iii)根據GEM上市規則第5.46條所述本公司董事進行交易的規定標準須知會本公司及聯交所的任何權益或淡倉。

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於2024年5月31日，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉，或須記錄於根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉如下：

REPORT OF THE DIRECTORS

董事會報告

ORDINARY SHARES OF THE COMPANY

本公司普通股

Name	Capacity/Nature of Interest	Number of Shares held/ interested (Note 1) 所持／擁有 權益之股份數目 (附註1)	Approximate percentage of share holding 概約股權 百分比
姓名／名稱	身份／權益性質		
Merchant World Investments Limited	Beneficial owner 實益擁有人	29,827,500 (L)	21.89%
Ms. Woon Sow Sum (Note 2) Woon Sow Sum 女士 (附註2)	Interest of spouse 配偶權益	29,827,500 (L)	21.89%
Greater Elite Holdings Limited (Note 3) Greater Elite Holdings Limited (附註3)	Beneficial owner 實益擁有人	23,510,100 (L)	17.25%
Mr. Law Fung Yuen Paul (Note 3) 羅鳳原先生 (附註3)	Interest in controlled corporation 受控制法團權益	23,510,100 (L)	17.25%
Ms. Cheng Lai Wah Christina (Note 4) 鄭麗華女士 (附註4)	Interest of spouse 配偶權益	23,510,100 (L)	17.25%
Mr. Choy Sheung Ki Gary 蔡尚圻先生	Beneficial owner 實益擁有人	10,323,000 (L)	8.33%

Notes:

附註：

(1) The letter (L) denotes the person's long interest in the Shares. (2) Ms. Woon Sow Sum is the spouse of Mr. Loh Swee Keong and is deemed, or taken to be interested in all Shares in which Mr. Loh Swee Keong has interest under the SFO. (3) Greater Elite Holdings Limited is a company incorporated in the BVI and is wholly-owned by Mr. Law Fung Yuen Paul. Mr. Law Fung Yuen Paul is deemed to be interested in all the Shares held by Greater Elite Holdings Limited for the purpose of the SFO. (4) Ms. Cheng Lai Wah Christina is the spouse of Mr. Law Fung Yuen Paul and is deemed, or taken to be interested in all Shares in which Mr. Law Fung Yuen Paul has interest under the SFO.	(1) 英文字母(L)表示該人士於股份的好倉。 (2) Woon Sow Sum女士為Loh Swee Keong先生的配偶，根據證券及期貨條例被視為或當作於Loh Swee Keong先生擁有權益的所有股份中擁有權益。 (3) Greater Elite Holdings Limited為一家於英屬處女群島註冊成立的公司，並由羅鳳原先生全資擁有。根據證券及期貨條例，羅鳳原先生被視為於由Greater Elite Holdings Limited持有的全部股份中擁有權益。 (4) 鄭麗華女士為羅鳳原先生的配偶，根據證券及期貨條例，彼被視為或當作於羅鳳原先生擁有權益的所有股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

Save for disclosed above, as at 31 May 2024, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full time and part time), or any member of the Group, including any Executive, Non-executive Directors and Independent Non-executive Directors, advisors, consultants of the Group.

The Company adopted the Share Option Scheme on 27 June 2017 whereby the Board is authorised, at its absolute discretion and subject to the terms of the Share Option Scheme, to grant options to the Eligible Participants to subscribe for the shares of the Company. The Share Option Scheme will be valid and effective for a period of ten years from the date of the adoption of the Scheme.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the date of the shares of the Company listed on the GEM, being 62,000,000 shares (or such numbers of shares as shall result from a subdivision or a consolidation of such 62,000,000 from time to time) (the “**Scheme Limit**”). Subject to shareholders’ approval in a general meeting, the Board may (i) renew this limit at any time to 10% of the shares in issue as at the date of the approval by the shareholders in a general meeting; and/or (ii) grant options beyond the Scheme Limit to Eligible Participants specifically identified by the Board.

除上文所披露者外，於2024年5月31日，本公司並無得悉任何人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

購股權計劃

購股權計劃旨在吸引及挽留最優秀的人員，以及向本集團全職及兼職僱員或任何成員（包括本集團任何執行董事、非執行董事、獨立非執行董事、顧問及諮詢人）提供額外獎勵。

於2017年6月27日，本公司採納購股權計劃，據此，董事會獲授權按其絕對酌情權，依照購股權計劃的條款向合資格參與人士授出可認購本公司股份的購股權。購股權計劃將由採納該計劃當日起計十年期間有效及生效。

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的最高股份數目合共不得超過本公司股份於GEM上市日期後已發行股份總數的10%，即62,000,000股股份（或因不時拆細或合併該62,000,000股股份而產生的有關股份數目）（「**計劃上限**」）。待於股東大會上取得股東批准後，董事會可(i)隨時將此上限更新至於股東在股東大會上批准當日已發行股份的10%；及／或(ii)向董事會特別選定的合資格參與人士授出超過計劃上限的購股權。

REPORT OF THE DIRECTORS

董事會報告

The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the limit being exceeded.

The total number of shares issuable upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Participants in any twelve months period shall not exceed 1% of the shares in issue. Any further grant of options is subject to shareholders' approval in general meeting with such Eligible Participants and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant to the provisions of early termination thereof.

An offer for the grant must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an options is HKD1.

Pursuant to the Share Option Scheme, the participants may subscribe for the shares of the Company on exercise of an option at the price determined by the Board provided that it shall be at least the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

As at 31 May 2024, no share option was granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

因根據購股權計劃及本公司任何其他購股權計劃已授出及尚未行使的所有尚未行使購股權獲行使而可能發行的股份數目，於任何時候不得超過不時已發行股份的30%。倘根據本公司的任何計劃（包括購股權計劃）授出購股權將導致超出上限，則不得授出購股權。

於任何12個月期間，且根據購股權計劃及本公司任何其他購股權計劃向各參與人士授出的購股權獲行使而可予發行的股份總數不得超過已發行股份的1%。任何額外授出購股權須於股東大會上獲股東批准，而有關合資格參與人士及其聯繫人須放棄投票。

購股權可於董事會可能釐定而不得超過授出日期起計十年的期間內，在有關提前終止條文的規限下，隨時根據購股權計劃的條款行使。

授出要約必須於七日內（包括作出該要約的日期）獲接納。購股權承授人於接納授出購股權的要約時應向本公司支付1港元。

根據購股權計劃，參與人士可按董事會釐定的價格行使購股權認購本公司股份，惟該價格不得低於下列最高者：(i)於授出當日（該日須為營業日）的聯交所每日報價表所列股份的收市價；(ii)於緊接授出日期前五個營業日的聯交所每日報價表所列股份的平均收市價；及(iii)股份面值。

於2024年5月31日，概無購股權根據本公司的購股權計劃授出、獲行使、失效或註銷。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save for disclosed above, at no time during the year ended 31 May 2024 was the Company, its or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executives (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

THE ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Details of the Company's shares issued during the year are set out in the consolidated statement of changes in equity and note 25 to the consolidated financial statements.

CONNECTED TRANSACTIONS

During the year ended 31 May 2024, there are no connected transactions or continuing connected transactions of the Company (as defined under Chapter 20 of the GEM Listing Rules) which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules. Details of the significant related party transactions undertaken in the usual course of business are set out in note 33 to the consolidated financial statements. None of these related party transactions constitute a connected transaction or a continuing connected transaction, which needs to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules.

RETIREMENT BENEFITS PLAN

Details of the retirement benefits plan of the Group as at 31 May 2024 are set out in the note 6 to the consolidated financial statements.

董事收購股份或債權證的權利

除上文所披露者外，於截至2024年5月31日止年度任何時間，本公司、其任何控股公司或其任何附屬公司並無訂立任何安排，致使董事及主要行政人員（包括彼等的配偶及18歲以下的子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中持有任何權益或淡倉。

根據一般授權發行新股份

有關本年度已發行的本公司股份詳情載於綜合權益變動表及綜合財務報表附註25。

關連交易

截至2024年5月31日止年度，本公司並無須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易（定義見GEM上市規則第20章）。於日常業務過程中進行的重大關連方交易詳情載於綜合財務報表附註33。概無該等關連方交易構成須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易。

退休福利計劃

本集團於2024年5月31日的退休福利計劃詳情載於綜合財務報表附註6。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

Pursuant to the memorandum and articles of association (“Articles of Association”) of the Company, the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in the execution of their duties in their offices. The Company has arranged appropriate Directors’ and officers’ liability insurance coverage for the Directors and officers of the Group.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme are set out above, the Company has not entered into any equity-linked arrangement during the Year.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Company recognised its responsibility to protect the environment from its business activities. The Company is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental practices to ensure our business meet the required standards and ethics in respect of environmental protection.

DONATION

During the Year, the Group had made charitable and other donation for approximately RM27,840 (2023: RM46,480).

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-executive Directors a confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the Independent Non-executive Directors were independent during their tenure during the Year.

獲准許彌償條文

根據本公司的組織章程大綱及細則（「組織章程細則」）以及適用法例及規例，各董事將獲以本公司資產及溢利作為彌償保證，並確保其不會因彼等或彼等任何一方於執行彼等於有關職位的職責時可能招致或遭受的一切訴訟、費用、收費、損失、損害及開支而受到損害。本公司已為董事及本集團的高級職員安排購買適當的董事及高級職員責任保險。

股本掛鈎協議

除上文所載購股權計劃外，本公司於年內並無訂立任何股本掛鈎協議。

環保政策及表現

本公司深知其於業務活動中負有保護環境的責任。本公司力求實現環境及社會的可持續發展。本集團一直致力遵守有關環保的法例及規例，並採用有效的環保政策，以確保其業務符合環保方面的所需標準及操守。

捐贈

年內，本集團已作出慈善及其他捐贈約27,840令吉（2023年：46,480令吉）。

獨立性確認書

本公司已收到各獨立非執行董事根據GEM上市規則第5.09條發出的獨立性確認書，並認為全體獨立非執行董事於年內於其任期內均為獨立人士。

REPORT OF THE DIRECTORS

董事會報告

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2024 AGM to be held on Friday, 27 September 2024, the register of members of the Company will be closed from Tuesday, 24 September 2024 to Friday, 27 September 2024, both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2024 AGM or any adjournment thereof, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investors Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 23 September 2024.

AUDITORS

The financial statements for the year ended 31 May 2024 have been audited by McMillan who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of McMillan as auditor of the Company will be proposed at the forthcoming AGM.

By Order of the Board

SK Target Group Limited

Loh Swee Keong

Chairman

Hong Kong, 29 August 2024

暫停辦理股份過戶登記手續

為確定出席本公司將於2024年9月27日（星期五）舉行的2024年股東週年大會及在會上投票的資格，本公司將由2024年9月24日（星期二）至2024年9月27日（星期五）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會進行股份過戶登記。為符合資格出席2024年股東週年大會或其任何續會並於會上投票，所有過戶文件連同有關股票，最遲須於2024年9月23日（星期一）下午四時三十分前，送交本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓，辦理登記手續。

核數師

截至2024年5月31日止年度的財務報表已由長青審核，其將告退並符合資格及願意接受續聘。重新委任長青為本公司核數師的決議案將於應屆的股東週年大會上提呈。

承董事會命

瑞強集團有限公司

主席

Loh Swee Keong

香港，2024年8月29日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board and the senior management of the Group is committed to achieve a high standard of corporate governance, to formulate good corporate governance practices for improving the accountability and transparency in operations, and to strengthen the internal control and risk management systems from time to time so as to protect the rights of the shareholders and enhance shareholder value. The Directors consider that good corporate governance provides a framework that is crucial for effective management, successful business growth and a healthy corporate culture which in return benefits the Group's stakeholders as a whole.

The Board has adopted and save as disclosed in the following paragraph complied with the principles and code provisions set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules. The Directors will continue to review and monitor its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Group.

Under the code provision A.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established.

Mr. Loh is the chairman of the Board and the chief executive officer of the Company. In view of Mr. Loh has been operating and managing the operating subsidiaries of the Group since 1993, the Board believes that it is in the best interest of the Group to have Mr. Loh taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

Save as disclosed above, during the year in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

企業管治常規

本集團董事會及高級管理層致力達致高標準的企業管治水平，制定良好的企業管治常規以改善營運的問責性及透明度，並不時加強內部監控及風險管理系統，以保障股東權利及提升股東價值。董事認為，良好的企業管治為有效的管理、成功的業務發展及健全的企業文化提供至關重要的框架，從而令本集團利益相關者整體受惠。

董事會已採納及除以下段落所披露者外，遵守GEM上市規則附錄十五所載的企業管治守則（「企業管治守則」）載列的原則及守則條文。董事將繼續檢討及監察其企業管治常規，以提高企業管治標準，遵守不時收緊的監管要求，以及滿足本集團股東及其他利益相關者日益提高的期望。

根據企業管治守則守則條文第A.2.1條，主席及行政總裁的職務應予區分，並不應由同一人士擔任。主席與行政總裁之間職務的分工應予清晰界定。

Loh先生為本公司董事會主席兼行政總裁。鑒於Loh先生自1993年起一直經營及管理本集團的營運附屬公司，故董事會相信，由Loh先生兼任兩個職位以達致有效的管理及業務發展乃符合本集團的最佳利益。因此，董事認為，偏離企業管治守則條文第A.2.1條在該情況下乃屬合適。

除上文所披露者外，董事認為，於年內本集團一直遵守企業管治守則的守則條文。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and all Directors confirmed that they have complied with the required standards of dealings and the code of conduct regarding securities transactions by the Directors for the year ended 31 May 2024.

BOARD OF DIRECTORS

The Board currently comprises four Directors, including one Executive Director, namely Mr. Loh Swee Keong and three Independent Non-executive Directors who are Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Mr. Kwok Tsz Hin.

Mr. Loh Swee Keong is the chairman (the “**Chairman**”) of the Board.

Pursuant to the announcement made by the Company on 15 November 2023, Mr. Chu King Ming (“**Mr. Chu**”) resigned as an Independent Non-executive Director (“**INED**”) of the Company with effect on 15 November 2023. Following Mr. Chu’s resignation, the Board comprised three members with one Executive Director and two Independent Non-executive Directors. As a result, the number of INEDs fell below the minimum number of three as prescribed under Rule 5.05 of the GEM Listing Rules. Also, the Audit Committee only had two members which is below the minimum number prescribed under Rule 5.28 of the GEM Listing Rules.

In order to comply with the abovesaid GEM Listing Rules, the Company identified Mr. Kwok Tsz Hin to fill up the abovementioned vacancy on 16 January 2024, within three months from 15 November 2023 and duly complied with respective GEM Listing Rules. Please refer to the Company’s announcement dated 16 January 2024 for details.

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載規定交易準則。本公司亦已向全體董事作出具體查詢，而全體董事確認彼等於截至2024年5月31日止年度一直遵守有關董事進行證券交易的規定交易準則及行為守則。

董事會

董事會目前由四名董事組成，其中包括一名執行董事（即Loh Swee Keong先生）及三名獨立非執行董事（分別為邱家禧先生、馬希聖先生及郭子軒先生）。

Loh Swee Keong先生為董事會主席（「**主席**」）。

根據本公司於2023年11月15日刊發的公佈，朱健明先生（「**朱先生**」）已辭任本公司獨立非執行董事（「**獨立非執行董事**」），自2023年11月15日起生效。於朱先生辭任後，董事會包括三名成員，其中一名為執行董事，兩名為獨立非執行董事。因此，獨立非執行董事人數低於GEM上市規則第5.05條規定的最低三人數目。此外，審核委員會僅有兩名成員，低於GEM上市規則第5.28條所規定的最低人數。

為遵守上述GEM上市規則，自2023年11月15日起計三個月內，本公司於2024年1月16日物色郭子軒先生填補上述空缺，並已妥為符合相關GEM上市規則。詳情請參閱本公司日期為2024年1月16日的公佈。

CORPORATE GOVERNANCE REPORT

企業管治報告

OVERALL ACCOUNTABILITY

The Board is committed to providing effective and responsible leadership for the Company. The Board is accountable to the Shareholders and in discharging its corporate accountability. The Directors, individually and collectively, must act in good faith and in the best interests of the Company and the Shareholders and fulfill his fiduciary duties by applying the required level of skills, care and diligence to a standard in accordance with the statutory requirements. The Board has the full support from the Directors and the senior management of the Company to discharge its responsibilities.

The biographical details of the Directors and other senior management are set out in the section headed with "Directors and Senior Management Profiles" of this report.

BOARD RESPONSIBILITIES

The Board is responsible for formulating the Group's policies and business plans, and monitoring internal controls and performances. The overall management of the Company's business is vested in the Board which assumes the responsibility for promoting the success of the Company by supervising its affairs. The Board focuses on formulating the Group's overall strategies, approving the annual development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control system and supervising the management's performance. Regarding the Group's corporate governance, the Board is responsible for performing following duties:

- (a) determine and review the policies and practices on corporate governance of the Group and make recommendations;
- (b) review and monitor the training and continuous professional development of Directors and senior management; and
- (c) review and monitor the Group's policies and practices on compliance with legal and regulatory requirements.
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

全面問責

董事會致力為本公司提供有效及負責任的領導。董事會對股東負責，並履行其企業責任。董事須個別及共同地為本公司及股東的最佳利益真誠行事，並按照符合法定規定的標準應用必要水平的技能，謹慎盡忠地履行其董事受信責任。本公司董事及高級管理層會全力支持董事會履行職責。

董事及其他高級管理層的履歷詳情載於本報告「董事及高級管理層簡介」一節。

董事會責任

董事會負責制定本集團的政策及業務計劃，以及監察內部監控及表現。本公司的整體業務由董事會負責管理。董事會負責監督本公司的事務，以促使其取得成功。董事會專注制定本集團的整體策略、審批年度發展計劃及預算；監察財務及營運表現；檢討內部監控系統的成效及監督管理層的表現。就本集團的企業管治而言，董事會負責履行以下職責：

- (a) 釐定及檢討本集團的企業管治政策及常規，並提出推薦建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；及
- (c) 檢討及監察本集團在遵守法律及監管規定方面的政策及常規。
- (d) 制定、檢討及監察適用於僱員及董事的行為準則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況及於企業管治報告內披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

CG Code provision A.2.1 stipulates that the roles of chairman of the Board and chief executive should be separate and should not be performed by the same individual. Mr. Loh is the chairman of the Board and the chief executive officer of the Company. In view of Mr. Loh has been operating and managing the operating subsidiaries of the Group since 1993, the Board believes that it is in the best interest of the Group to have Mr. Loh taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy (the “**Board Diversity Policy**”) and setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Board Diversity Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board.

To meet the objectives of the Group’s Board Diversity Policy, the Board consists of members with expertise in the precast concrete junction box industry, accounting, internal control, corporate finance and administration.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness.

主席及行政總裁

企業管治守則條文第A.2.1條訂明，董事會主席及行政總裁的職務應予區分，不應由同一人士擔任。Loh先生為本公司董事會主席兼行政總裁。鑒於Loh先生自1993年起一直經營及管理本集團的營運附屬公司，故董事會相信，由Loh先生兼任兩個職位以達致有效的管理及業務發展乃符合本集團的最佳利益。因此，董事認為，偏離企業管治守則條文第A.2.1條在該情況下乃屬合適。

董事會多元化政策

本公司採納董事會多元化政策（「**董事會多元化政策**」），當中載有實現及維持董事會多元化的方法，以提高董事會的效力。

根據董事會多元化政策，本公司尋求透過考慮多種因素實現董事會多元化，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業及區域經驗。最終決定將基於選定候選人將給董事會帶來的價值及貢獻作出。

為達致本集團董事會多元化政策的目標，董事會成員由預製混凝土接線盒行業、會計、內部監控、公司財務及行政的專業人士組成。

所有董事會委任均根據任人唯賢原則進行，並將在考慮對董事會多元化的裨益後依據客觀標準考量候選人。

提名委員會將不時檢討董事會多元化政策，以確保其持續有效。

CORPORATE GOVERNANCE REPORT

企業管治報告

DELEGATION BY THE BOARD

The Board delegates to the Management in respect of the major corporate matters as stated below:

1. preparation of annual, interim and quarterly results of the Group to be approved by the Board;
2. execution of the corporate strategies and directions of the Group adopted by the Board;
3. implementation of sufficient systems of internal controls and risk management procedures of the Group; and
4. carrying out daily business operations and decision-makings of the Group, etc.

董事會指派

董事會指派管理層處理下述主要公司事宜：

1. 編製將由董事會批准之本集團年度、中期及季度業績；
2. 執行經董事會採納之本集團企業策略及指示；
3. 實施充足之本集團內部監控系統及風險管理程序；及
4. 執行日常業務運作，以及就本集團之日常業務作出決策等。

BOARD MEETING, GENERAL MEETING AND PROCEDURES

The Board meets regularly and, in addition to regular meetings, it meets as and when warranted by particular circumstances.

During the year, 8 Board meetings have been held for the discussion and approval of important matters such as the approval of quarterly results, interim results, annual results and dividends, etc. The attendance record of each Director during the year at Board meetings is as follows:

董事會會議、股東大會及程序

董事會定期召開會議，而除例會外，其亦在有特殊情況需要時召開會議。

年內，董事會舉行了8次會議，以討論及批准季度業績、中期業績、全年業績及股息等重要事項。各董事年內出席董事會會議的記錄如下：

		Number of Attendance Attended/ Eligible to Attend 出席／合資格出席次數
Name of Director	董事姓名	
Executive Directors		執行董事
Mr. Loh Swee Keong	Loh Swee Keong先生	8/8
Independent Non-executive Directors		獨立非執行董事
Mr. Yau Ka Hei	邱家禧先生	8/8
Mr. Chu Kin Ming (resigned on 15 November 2023)	朱健明先生（於2023年11月15日辭任）	4/4
Mr. Ma, She Shing Albert	馬希聖先生	8/8
Mr. Kwok Tsz Hin (appointed on 16 January 2024)	郭子軒先生（於2024年1月16日獲委任）	2/2

CORPORATE GOVERNANCE REPORT

企業管治報告

The Directors do not have any relationship (Including financial, business, family or other material relationships) between themselves.

CORPORATE GOVERNANCE FUNCTIONS

The Group has not established a corporate governance committee and thus the Board is responsible for performing the corporate governance duties set out in CG Code D.3.1 such as reviewing and determining the policies and practices on corporate governance of the Group, developing the Group's policies, practices on corporate governance, training and continuous professional development of the Directors and senior management, the Group's policies and practices on compliance with legal and regulatory requirements.

The Board held meetings from time to time whenever necessary. To enable all the Directors to participate in the meetings, the Company ensures that all Directors are properly briefed on issues arising at the Board meetings and receive adequate, complete and reliable information in a timely manner. Notice of regular Board meetings is given to all Directors and they can include matters for discussion in the agenda as they think fit. Draft minutes of Board meeting shall be circulated to all Directors for comments prior to confirmation of the minutes. The signed minutes are kept by the Company Secretary. Every Board member has full access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed. They are also entitled to have full access to Board documents and related materials so that they are able to make an informed decision.

Pursuant to article 108 (a) of the articles of association of the Company (the “**Articles**”), at each annual general meeting, one-third of the Directors for the time being, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Accordingly, Mr. Yau Ka Hei and Mr. Kwok Tsz Hin shall retire at the 2024 AGM and being eligible, offer themselves for re-election.

董事之間並無任何關係（包括財務、業務、家庭或其他重大關係）。

企業管治職能

本集團並無成立企業管治委員會。因此，董事會負責履行企業管治守則第D.3.1條所載的企業管治職責，例如檢討及釐定本集團的企業管治政策及常規、制定本集團的企業管治政策及常規、董事及高級管理人員的培訓及持續專業發展，以及本集團在遵守法律及監管規定方面的政策及常規。

董事會不時在有需要時舉行會議。為使全體董事能夠出席會議，本公司確保全體董事就於董事會會議上討論的事項獲得適當簡報，並及時收到足夠、完整而可靠的資料。全體董事就定期董事會會議獲發通知，而彼等可將其認為適合的討論事項納入會議議程。董事會會議記錄的草稿須向全體董事傳閱，以便彼等於確認會議記錄前給予意見。經簽署的會議記錄會由公司秘書保存。各董事會成員均可全面獲得公司秘書的意見及服務，以確保董事會的程序以及所有適用規則及規例均獲遵從。彼等亦有權全面查閱董事會文件及相關資料，以作出知情決定。

根據本公司組織章程細則（「**細則**」）第108(a)條，於每屆股東週年大會上，當時在任的三分之一董事須輪值退任，惟每名董事（包括該等以特定任期獲委任的董事）須至少每三年輪值退任一次。退任董事符合資格重選連任。

故此，邱家禧先生及郭子軒先生須於2024年股東週年大會上退任且符合資格並願意重選連任。

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The biographical details of above mentioned Directors proposed to be re-elected at the forthcoming annual general meeting are set out in the section headed "Directors and Senior Management Profiles" on pages 17 to 19 of this annual report.

Independent Non-executive Directors are appointed for a specific term subject to retirement by rotation and re-election in accordance with the Articles. Each Independent Non-executive Directors is required to inform the Group as soon as practicable if there is any change that may affect his/her independence. The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independency pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers these Independent Non-executive Directors to be independent.

CONTINUOUS PROFESSIONAL DEVELOPMENT

To ensure the Directors' contribution to the Board remains informed and relevant, the Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills relating to the roles, functions and duties of a director of a listed company. During the year ended 31 May 2024, the current Board members participated in the following training programs:

上述建議於應屆股東週年大會上重選連任的董事之履歷詳情載於本年報第17至19頁「董事及高級管理層簡介」一節。

獨立非執行董事乃按特定任期獲委任，惟須根據細則輪值退任及重選連任。如出現任何可能影響其獨立性的變動，各獨立非執行董事須於切實可行情況下盡快通知本集團。本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條發出的年度獨立性確認書，且本公司認為該等獨立非執行董事均屬獨立人士。

持續專業發展

為確保董事一直在具備全面資訊及切合所需的情況下對董事會作出貢獻，本公司鼓勵董事參與專業發展課程及研討會，以增進及重溫彼等有關上市公司董事的角色、職能及職責之知識及技能。截至2024年5月31日止年度，現有董事會成員已參與下列培訓計劃：

		Training on corporate governance, regulatory updates on disclosable transactions and connected transactions 有關企業管治、規管更新須予披露交易及關連交易的培訓
Name of Directors	董事姓名	
Executive Director	執行董事	
Loh Swee Keong	Loh Swee Keong	√
Independent Non-executive Directors	獨立非執行董事	
Chu Kin Ming (resigned on 15 November 2023)	朱健明（於2023年11月15日辭任）	√
Yau Ka Hei	邱家禧	√
Ma She Shing Albert	馬希聖	√
Mr. Kwok Tsz Hin (appointed on 16 January 2024)	郭子軒先生（於2024年1月16日獲委任）	√

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Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the relevant statutes, laws, rules and regulations.

Mr. Kwok Tsz Hin (“**Mr. Kwok**”) obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the GEM Listing Rules that are applicable to Mr. Kwok as a director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 16 January 2024. Mr. Kwok confirmed he understood his obligations as a director of the Company.

BOARD COMMITTEES

The Board has established three board committees, namely the audit committee (the “**Audit Committee**”), the remuneration committee (the “**Remuneration Committee**”) and the nomination committee (the “**Nomination Committee**”). The terms of reference of the Board's committee are posted on the Company's website and the website of the Stock Exchange and are available to shareholders upon request.

Audit Committee

The Group established the Audit Committee on 27 June 2017 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules.

The Audit Committee currently consists of three Independent Non-executive Directors namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Mr. Kwok Tsz Hin. The chairman of the Audit Committee is Mr. Yau Ka Hei.

The Audit Committee is mainly responsible for the followings:

- (a) to act as the key representative body for overseeing the Company's relations with the external auditor, and be primarily responsible for making recommendations to the board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;

各新委任的董事均獲提供必要的入職培訓及資料，以確保其對本公司的營運及業務以及其於相關法規、法例、規則及規例下的責任有適當瞭解。

郭子軒先生（「**郭先生**」）已於2024年1月16日就作為本公司董事須遵守的GEM上市規則適用規定，以及向聯交所作出虛假聲明或提供虛假資料可能導致的後果，向一家有資格就香港法例提供意見的律師事務所獲取法律意見。郭先生已確認，彼瞭解作為本公司董事的責任。

董事會委員會

董事會已成立三個董事會委員會，分別為審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會（「**提名委員會**」）。董事會委員會的職權範圍於本公司網站及聯交所網站刊登，並於股東提出要求時可供查閱。

審核委員會

本集團已於2017年6月27日成立審核委員會，並遵照GEM上市規則第5.28至5.33條及GEM上市規則附錄十五所載的企業管治守則及企業管治報告第C.3段，制定其書面職權範圍。

審核委員會目前由三名獨立非執行董事組成，即邱家禧先生、馬希聖先生及郭子軒先生。審核委員會主席為邱家禧先生。

審核委員會的主要職責如下：

- (a) 擔任本公司與外聘核數師之主要代表，負責監察兩者之間的關係；及主要負責就外聘核數師之委任、重新委任及罷免向董事會提供建議、及批准外聘核數師之薪酬及聘用條款，及處理任何有關該核數師辭任或辭退該核數師之問題；

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(b) to review with the Group's management, external auditors and internal auditor, the adequacy of the Group's policies and system regarding internal controls (including financial, operational and compliance controls), risk management system and any statement by the Directors of the Company to be included in the annual accounts prior to endorsement by the Board;	(b) 於董事會核准前，與本集團管理層、外聘核數師及內部核數師檢討本集團有關內部監控（包括財務、營運及合規監控）的政策及系統、風險管理系統以及本公司董事於年度賬目內作出的任何聲明是否充分；
(c) to review and monitor the integrity of the Company's financial statements and the annual, quarterly and interim financial reports, and to review significant financial reporting judgements contained in them prior to approval by the Board, with particular focus on: (i) any changes in accounting policies and practices; (ii) major judgmental areas; (iii) significant adjustment resulting from the audit/review; (iv) the going concern assumption and any qualifications; (v) compliance with the accounting and auditing standards; and (vi) compliance with the listing requirements on the GEM of The Stock Exchange of Hong Kong Limited and legal requirements in relation to financial reporting;	(c) 於董事會批准前，審閱及監察本公司財務報表以及年度、季度及中期財務報告的完整性，並覆核當中所載的重大財務報告判斷，尤其須針對下列各項： (i) 會計政策及慣例的任何改變； (ii) 重大判斷範圍； (iii) 有關核數／審閱結果的重大調整； (iv) 持續經營的假設及任何保留意見； (v) 有否遵守會計及核數準則；及 (vi) 有否遵守香港聯合交易所有限公司GEM的上市規定及有關財務報告的法律要求；
(d) Oversee the issuer's financial reporting system, the risk management and the internal control systems; (i) to review the Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the board itself, to review the Company's risk management and internal control systems; (ii) to review arrangements employees of the Group can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;	(d) 監察發行人之財務報告系統、風險管理及內部監控系統； (i) 檢討本公司之財務監控，及除非由另一董事會之風險委員會或董事會本身明確表示，檢討本公司風險管理及內部監控系統； (ii) 檢討本集團僱員以保密方式就財務報告、內部監控或其他事宜可能存在的任何不當情況提出疑問的安排。委員會須確保已作出適當安排，以公平及獨立地調查該等事項及作適當跟進行動；

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(iii) to review the draft representation letter prior to approval by the Board;	(iii) 經董事會批准前，審閱陳述書的草稿；
(iv) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have an effective system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the issuer's accounting and financial reporting function;	(iv) 與管理層討論風險管理及內部監控系統，以確保管理層已履行其職責建立有效系統。此討論應包括發行人會計及財務報告功能的人力資源、員工資歷及經驗、培訓課程及預算是否充足；
(v) to consider major investigation findings on risk management and internal control matters as delegated by the board or on its own initiative and management's response to these findings; and	(v) 應董事會的委派或主動，就有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究；及
(vi) to assess the effectiveness of risk management and internal control.	(vi) 評估風險管理及內部監控的有效性。

For the year ended 31 May 2024, 4 meetings have been held for the Audit Committee and all the members of the Committee attended the meetings. The Group's quarterly, interim and annual results have been reviewed by the Audit Committee.

截至2024年5月31日止年度，審核委員會已舉行4次會議且委員會全體成員均出席會議。本集團的季度、中期及年度業績已由審核委員會審閱。

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Remuneration Committee

The Company established the Remuneration Committee on 27 June 2017 with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and paragraph B.1 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. As at the date of this report, the Remuneration Committee consists of one Executive Director, namely Mr. Loh Swee Keong and two Independent Non-executive Directors, namely Mr. Yau Ka Hei and Mr. Ma, She Shing Albert. The chairman of the Remuneration Committee is Mr. Yau Ka Hei.

The Remuneration Committee is mainly responsible for the followings:

- (a) to consult the chairman of the Board and/or the chief executive of the Company (where applicable) about their remuneration proposals for other Executive Directors. The Committee should have access to independent professional advice if necessary;
- (b) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) either (i) determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management of the Company; or (ii) make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management of the Company. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

薪酬委員會

本公司已於2017年6月27日成立薪酬委員會，並遵照GEM上市規則第5.34至5.36條及GEM上市規則附錄十五所載的企業管治守則及企業管治報告第B.1段，制定其書面職權範圍。於本報告日期，薪酬委員會包括一名執行董事，即Loh Swee Keong先生以及兩名獨立非執行董事，即邱家禧先生及馬希聖先生。薪酬委員會主席為邱家禧先生。

薪酬委員會的主要職責如下：

- (a) 就其他執行董事的薪酬建議諮詢本公司董事會主席及／或行政總裁（倘適用）。倘有需要，委員會應可獲取獨立專業意見；
- (b) 因應董事會所訂立的企業方針及目標，檢討及批准管理層的薪酬建議；
- (c) (i)獲董事會轉授責任釐定本公司個別執行董事及高級管理人員的薪酬待遇；或(ii)向董事會建議本公司個別執行董事及高級管理人員的薪酬待遇。此應包括實物利益、退休金權利及賠償金額（包括喪失或終止職務或委任的任何應付賠償）；

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(d) make recommendations to the Board on the remuneration of Non-executive Directors and Independent Non-executive Directors of the Company; (e) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries; and (f) review and approve compensation payable to the Executive Directors and senior management of the Company for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.	(d) 就本公司非執行董事及獨立非執行董事的薪酬向董事會提出建議； (e) 考慮同類公司支付的薪酬、須付出的時間及職責以及本公司及其附屬公司內其他職位的僱用條件；及 (f) 檢討及批准向本公司執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，有關賠償亦須公平合理，不致過多。

For the year ended 31 May 2024, two meetings have been held for the Remuneration Committee and all the members of the Committee attended the meeting to review and make recommendation to the Board on the remuneration policy and the remuneration packages of the Directors.

截至2024年5月31日止年度，薪酬委員會已舉行兩次會議以審閱及就薪酬政策及董事的薪酬待遇向董事會提出建議，且委員會全體成員均參加該會議。

Pursuant to code provision B.1.5 of the CG Code, details of the remuneration of the senior management (other than Directors) by bands for the year ended 31 May 2024 are as follows:

根據企業管治守則守則條文第B.1.5條，截至2024年5月31日止年度按層級劃分的高級管理人員（除董事外）的薪酬詳情如下：

	Number of members of senior management 高級管理人員人數

Nil to HKD1,000,000	零至1,000,000港元	4

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The Group determines an Director's emolument based on each Director's qualifications, experience and capability and the prevailing market remuneration rate.

The emolument payable to Directors depends on their respective contractual terms under the service contracts and the appointment letters, and as recommended by the Remuneration Committee. Details of the Directors' emolument are set out in note 6 to the consolidated financial statements.

Further details of the remuneration of the Directors and the 5 highest paid employees required to be disclosed under Rule 18.30 of the GEM Listing Rules have been set out in notes 6 and 7 to the consolidated financial statements.

Nomination Committee

Our Company established the Nomination Committee on 27 June 2017 with written terms of reference in compliance with paragraph A.5 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The Nomination Committee currently consists of one Executive Director, namely Mr. Loh Swee Keong and two Independent Non-executive Directors, namely Mr. Yau Ka Hei and Mr. Ma, She Shing Albert. The chairman of the Nomination Committee is Mr. Loh Swee Keong.

The main roles and functions of the Nomination Committee include the followings:

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;

本集團按照各董事的資格、經驗及能力以及當前的市場薪酬水平釐定各董事的薪金。

應付董事酬金視乎彼等各自的服務合約及委任函件所載合約條款而定，並須參考薪酬委員會的推薦建議。董事酬金詳情載於綜合財務報表附註6。

根據GEM上市規則第18.30條須予披露有關董事酬金及五位最高薪僱員的進一步詳情載於綜合財務報表附註6及7。

提名委員會

本公司已於2017年6月27日成立提名委員會，並遵照GEM上市規則附錄十五所載的企業管治守則及企業管治報告第A.5段，制定其書面職權範圍。提名委員會目前包括一名執行董事，即Loh Swee Keong先生及兩名獨立非執行董事，即邱家禧先生及馬希聖先生。提名委員會主席為Loh Swee Keong先生。

提名委員會的主要角色及職能包括以下各項：

- (a) 每年至少一次檢討董事會的架構、規模及組成（包括技能、知識及經驗），並向董事會提出任何改動建議，以配合本公司的企業策略；
- (b) 物色合資格成為董事會成員的適當人選，並甄選或就甄選所提名擔任董事職務的人選向董事會提供建議；

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(c) assess the independence of Independent Non-executive Directors of the Company; (d) make recommendations to the Board on the appointment or re-appointment of Directors of the Company and succession planning for Directors of the Company, in particular the chairman of the Board and the chief executive officer of the Company; and (e) have a policy concerning diversity of Board members, review the policy and the progress on achieving the objectives set for implementing the policy and should disclose the policy or a summary of the policy in the corporate governance report annually.	(c) 評核本公司獨立非執行董事的獨立性； (d) 就本公司董事委任或續任以及本公司董事的繼任計劃（尤其是董事會主席及本公司行政總裁）向董事會提出建議；及 (e) 制定關於董事會成員多元化的政策、檢討政策及達致有關政策所設定目標的進度，並應每年於企業管治報告內披露有關政策或政策的摘要。

For the year ended 31 May 2024, two meetings have been held for the Nomination Committee and all the members of the Committee attended the meeting to review the independence of the Independent Non-executive Directors, the structure, size and Composition of the Board and the Board diversity policy adopted by the Company.

NOMINATION POLICY

The Company has adopted a Nomination Policy (the “**Nomination Policy**”) for the Nomination Committee to identify candidates to become a member of the Board and to make recommendations to the Board on the selection of candidates nominated for directorships. The Board shall be composed of members with balance of skills, experience and diversity of perspectives appropriate to accomplish the Group’s business development, strategies, operation, challenges and opportunities. The core criteria for selection include gender, age, cultural and education background, professional qualifications, skills, knowledge and industry and regional experience, number of directorship in other listed/public companies and in case of Independent Non-executive Directors, the number of years they have already served. According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and recommends to the Board for decision. The appointment shall be subject to the approval by the Board in accordance with the Articles of Association, the GEM Listing Rules and the Nomination Policy.

截至2024年5月31日止年度，提名委員會已舉行兩次會議以檢討獨立非執行董事的獨立性、董事會的架構、規模及組成以及本公司所採納的董事會成員多元化政策，且委員會全體成員均出席會議。

提名政策

本公司已為提名委員會採納一項提名政策（「**提名政策**」），以物色適合成為董事會成員的候選人，並向董事會推薦獲提名董事職位候選人的選擇。董事會成員組成應具有適當平衡的技能、經驗及多元化觀點，從而實現本集團的業務發展、策略、業務運營、挑戰及機遇。選擇的核心標準包括性別、年齡、文化及教育背景、專業資格、技能、知識及行業及區域經驗、於其他上市／公眾公司擔任董事職務的數目及（倘為獨立非執行董事）彼等已任職的年限。根據提名程序，提名委員會負責物色潛在新董事，並向董事會推薦以供其決策。根據組織章程細則、GEM上市規則及提名政策，委任須經董事會批准。

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2024 ANNUAL GENERAL MEETING

Pursuant to the code provision A.6.7 of the CG code, the Independent Non-executive Directors should attend general meetings and develop a balanced understanding of the visions of shareholders. At the 2024 annual general meeting held on 22 November 2023, all the Independent Non-executive Directors attended the meeting.

For the year ended 31 May 2024, the attendance record of each Director is set out in the table below:

2024年股東週年大會

根據企業管治守則守則條文第A.6.7條，獨立非執行董事應出席股東大會並對股東的意見有公正瞭解。於2023年11月22日舉行的2024年股東週年大會上，所有獨立非執行董事均已出席大會。

截至2024年5月31日止年度，各董事的出席記錄載於下表：

Name of Directors 董事姓名	Number of attendance/number of meetings for the year ended 31 May 2024 截至2024年5月31日止年度的出席次數／會議次數				
		Audit	Remuneration	Nomination	
	Board	Committee	Committee	Committee	General
	meeting	meeting	meeting	meeting	meeting
	董事會	審核委員會	薪酬委員會	提名委員會	
	會議	會議	會議	會議	股東大會

Executive Directors

執行董事

Mr. Loh Swee Keong	8/8	N/A	2/2	2/2	1/1
Loh Swee Keong 先生		不適用			

Independent Non-executive Directors

獨立非執行董事

Mr. Yau Ka Hei	8/8	4/4	2/2	2/2	1/1
邱家禧先生					
Mr. Chu Kin Ming (resigned on 15 November 2023)	4/4	3/3	1/1	N/A	0/0
朱健明先生（於2023年11月15日辭任）				不適用	
Mr. Ma, She Shing Albert	8/8	4/4	1/1	2/2	1/1
馬希聖先生					
Mr. Kwok Tsz Hin (appointed on 16 January 2024)	2/2	0/0	N/A	N/A	0/0
郭子軒先生（於2024年1月16日獲委任）			不適用	不適用	

CORPORATE GOVERNANCE REPORT

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ACCOUNTABILITY AND AUDITING

The Board acknowledges its responsibility in preparing the Group's consolidated financial statements for each financial year which give a true and fair view of the Group's state of affairs, results and cash flows and in accordance with the relevant accounting standards and principles and the disclosure requirements under applicable laws and regulations in Hong Kong.

The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. The statements by the external Auditor, McMillan Woods (Hong Kong) CPA Limited, about their reporting responsibility on the financial statements of the Group are set out in the independent auditor's report on pages 57 to 64 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining effective internal control and risk management systems and for monitoring their effectiveness to safeguard shareholders' investments and the assets of the Group. The internal control system of the Group aims to facilitate efficient operation which in turn reduces the risks to which the Group is exposed. The internal control and risk management systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

問責及核數

董事會確認其有於每個財政年度編製本集團綜合財務報表之責任。綜合財務報表根據相關會計準則及原則，以及香港適用法例及規例之披露規定真實而中肯地反映本集團之事務狀況、業績及現金流量。

外聘核數師的責任為根據審核結果對董事會所編製的綜合財務報表提出獨立意見，並向本公司股東匯報彼等的意見。外聘核數師長青（香港）會計師事務所有限公司就其對本集團財務報表的申報責任所發表的聲明，載於本年報第57至64頁的獨立核數師報告。

內部監控及風險管理

董事會負責維持有效的內部監控及風險管理制度，並監察其成效以保障股東的投資及本集團的資產。本集團的內部監控系統旨在促使有效營運，從而減少本集團面臨的風險。內部監控及風險管理制度旨在提供合理（而非絕對）的保證，以防出現重大錯誤陳述或損失的情況，並管理（而非完全杜絕）本集團營運系統的失誤及本集團未能達成業務目標的風險。

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The Group recognises that effective risk management is essential for the long-term development on the Group's business. The management is responsible for establishing, implementing and reviewing the sound and effective internal control system underpinning the risk management framework. The Audit Committee will periodically review the Group's compliance status with the Hong Kong laws and will perform its functions by (i) reviewing the internal control and legal compliance; (ii) discussing the internal control systems with the management of the Group to ensure that the management has performed its duty to have an effective internal control system and (iii) considering the major investigation findings on internal control matters as delegated by the Board or its own initiative and the management's response to these findings. While taking into full account of the new requirements effective from the Listing Date under the GEM Listing Rules brought by Hong Kong Exchanges and Clearing Limited relating to risk management and internal control, the management has formulated the risk management and control framework. All employees are committed to implement the risk management framework into the daily operation.

In addition, there is no internal audit function within the Group and the Group engaged an independent internal control consultant ("**Internal Control Consultant**") to conduct an annual review for the year ended 31 May 2024 of the effectiveness of the Group's risk management and internal control systems in various material aspects including financial, operational and compliance controls. Based upon the recommendations from the Internal Control Consultant, the Group has taken remedial actions. Further, in order to continuously improve the Group's corporate governance in the future the Group will adopt the measures recommended by the Internal Control Consultant.

Based on the result of the reviews as mentioned above, it is considered that proper internal control and risk management systems are in place and implemented effectively.

本集團明白有效的風險管理對本集團業務的長遠發展至關重要。管理層負責制定、實施及檢討健全有效的內部監控系統，並以此為風險管理框架的基礎。審核委員會將定期檢討本集團遵守香港法例的情況，並將透過下列方式履行其職責：(i)檢討內部監控及遵守法律的情況；(ii)與本集團的管理層討論內部監控系統以確保管理層已履行其職責以設立有效的內部監控系統及(iii)審議董事會委託或自發對內部監控事宜進行調查的重大結果及管理層對該等結果的回應。除全面考慮香港交易及結算所有限公司所頒佈GEM上市規則項下自上市日期起生效的風險管理及內部監控相關新規定外，管理層已制定風險管理及監控框架。全體僱員致力在日常營運中實施風險管理框架。

此外，本集團並無內部審核職能且本集團已委聘一名獨立內部監控顧問（「**內部監控顧問**」）以從若干重大方面（包括財務、營運及合規控制）對本集團風險管理及內部監控系統的有效性進行截至2024年5月31日止年度的年度審核。根據內部監控顧問的建議，本集團已採取補救措施。此外，務求在日後持續改善本集團的企業管治，本集團將採納內部監控顧問建議的措施。

根據上述檢討結果，本公司認為內部監控及風險管理系統已妥為制定並有效地實施。

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AUDITORS' REMUNERATION

For the year ended 31 May 2024, the remuneration paid or payable to McMillan Woods (Hong Kong) CPA Limited in respect of the statutory audit services and non-audit services for the Group are as follows:

核數師酬金

截至2024年5月31日止年度，本集團就法定審核服務及非審核服務已付或應付長青（香港）會計師事務所有限公司的酬金如下：

Nature of Services		Fee paid/ payables 已付／應付 的費用 HKD000 千港元
服務性質		
Audit services	審核服務	893
Non-audit services	非審核服務	—

DIVIDEND POLICY

The Company has adopted a Dividend Policy that aims to provide guidelines for the Board to determine whether dividends are to be declared and paid to the shareholders and the level of dividend to be paid.

股息政策

本公司已採納一項股息政策，旨在為董事會確定是否向股東宣派及派付股息及將予支付的股息水平提供指引。

Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others,

根據股息政策，在決定是否建議派付股息及確定股息金額時，董事會應考慮（其中包括）以下各項：

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

- 財務業績；
- 現金流量狀況；
- 業務狀況及策略；
- 未來營運及盈利；
- 資金需求及支出計劃；
- 股東權益；
- 派付股息之任何限制；及
- 董事會可能認為相關之任何其他因素。

CORPORATE GOVERNANCE REPORT

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The declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and is also subject to any restrictions under the Companies Law of the Cayman Islands, the GEM Listing Rules, the laws of Hong Kong and the Company's Memorandum and Articles of Association and any other applicable laws and regulations. The Company does not have any predetermined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

COMPANY SECRETARY

Mr. Leung Tze Wai was appointed as the Company Secretary of the Company on 1 November 2018. All Directors have access to the Company Secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed. Mr. Leung taken no less than 15 hours of relevant professional training for the year ended 31 May 2024. The biographical details of Mr. Leung are set out under the section headed "Directors and Senior Management Profile" on pages 17 to 19 of this annual report.

SHAREHOLDERS' RIGHTS

As one of the measures to safeguard shareholders' interest and rights, separate resolutions can be proposed at shareholders' meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. All resolutions put forward at shareholders' meeting will be voted by poll pursuant to the GEM Listing Rules and the poll voting results will be posted on the website of The Stock Exchange and the Company's website after the relevant shareholders' meeting.

本公司宣派及派付股息應由董事會全權酌情釐定，亦須遵守開曼群島公司法、GEM上市規則、香港法例及本公司組織章程大綱及細則以及任何其他適用法律及法規的任何限制。本公司並無任何預定股息分派比率。本公司過往的股息分派記錄不應被用作確定本公司日後可能宣派或派付的股息水平的參考或依據。

本公司將持續檢討股息政策並保留按唯一及絕對酌情權隨時更新、修訂及／或修改股息政策的權利，而股息政策無論如何均不構成本公司作出的關於將會以任何特定金額支付股息的具有法律約束力的承諾及／或無論如何不為本公司施加於任何時間或不時宣派股息的義務。

公司秘書

梁子煒先生已於2018年11月1日獲委任為本公司的公司秘書。全體董事均可尋求公司秘書的協助，以確保董事會的程序及所有適用法例、規則及規例已獲遵從。梁先生已於截至2024年5月31日止年度接受不少於15小時的相關專業培訓。梁先生的履歷詳情載於本年報第17至19頁「董事及高級管理層簡介」一節。

股東權利

作為其中一項保障股東利益及權利的措施，可於股東大會就各項重大議題（包括推選個別董事）提呈獨立決議案以供股東考慮及表決。根據GEM上市規則，於股東大會上提呈的所有決議案將以按股數投票方式表決，而投票表決結果將於相關股東大會結束後在聯交所網站及本公司網站刊載。

CORPORATE GOVERNANCE REPORT

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COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Procedures for Shareholders to convene an extraordinary general meetings (“EGM”)

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors’ understanding of the Group’s business performance and strategies. The following procedures for shareholders to convene an extraordinary general meeting are subject to the Articles (as amended from time to time), and the applicable legislation and regulation, in particular the GEM Listing Rules (as amended from time to time):

- (a) EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition (the “**Requisition**”), not less than one tenth of the paid up capital of the Company having the right of voting at general meetings (the “**Eligible Shareholders**”). Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition;
- (b) The Eligible Shareholders must deposit the Requisition to the principal place of business of the Company in Hong Kong at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong or to Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for the attention of the Board and/or the Company Secretary;
- (c) If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

與股東及投資者的溝通

股東召開股東特別大會（「股東特別大會」）的程序

本公司相信，與股東有效溝通對加深投資者關係以及投資者對本集團業務表現及策略的瞭解而言至關重要。以下為股東召開股東特別大會的程序，乃受細則（經不時修訂）以及適用法例及規例（特別是GEM上市規則（經不時修訂））所規限：

- (a) 股東特別大會須應一名或多名股東的請求（「**請求**」）召開，該等股東於提出請求當日須持有本公司繳足股本不少於十分之一且擁有在股東大會上投票的權利（「**合資格股東**」）。有關請求須以書面形式向董事會或秘書提出，藉以要求董事會就處理有關請求所指明之任何事務而召開股東特別大會。有關會議須在送交該請求後兩個月內舉行；
- (b) 合資格股東須將有關請求送交本公司香港主要營業地點（地址為香港九龍尖沙咀柯士甸路22-26號好兆年行14樓1406-08室）或本公司的香港股份過戶登記分處卓佳證券登記有限公司（地址為香港夏慤道16號遠東金融中心17樓），並註明收件人為董事會及／或公司秘書；
- (c) 如董事會在有關送交日期起計21日內未有進行安排召開有關會議，則請求人（或多名請求人）可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而產生的所有合理費用須由本公司償付。

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As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any enquiries.

Procedures for putting forward proposals at Shareholders' meeting

There are no provisions in the Articles of the Company or the Companies Law of the Cayman Islands for shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

Procedures for raising enquiries

Shareholders may raise questions, request for publicly available information and provide comments and suggestions to the Directors and management of the Company. Such questions, requests, comments and suggestions can be addressed to the Company by post to Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong or via telephone at (852) 3702 5315.

Should there are any enquiries and concerns from shareholders, they may direct their enquiries about their shareholdings to the Company's Hong Kong share registrar and transfer office, Tricor Investors Services Limited, by post to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via telephone at (852) 2980 1333. Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

作為促進有效溝通的渠道，本集團設立網站以刊登本公司公佈的資料、財務資料及其他資料。股東及投資者可將任何查詢以書面形式直接寄往本公司的香港主要營業地點。

於股東大會提出建議之程序

本公司細則或開曼群島公司法概無條文規定股東可於股東大會上動議新決議案。有意動議決議案的股東可依據前段所述程序要求本公司召開股東大會。

提出查詢的程序

股東可向本公司董事及管理層提出問題、索取公開可得資料並提供意見及建議。該等問題、索求、意見及建議可透過郵寄至香港九龍尖沙咀柯士甸路22-26號好兆年行14樓1406-08室或透過電話(852) 3702 5315傳達至本公司。

股東如有任何查詢及疑問，可透過郵寄至香港夏慤道16號遠東金融中心17樓或透過電話(852) 2980 1333向本公司的香港股份過戶登記處卓佳證券登記有限公司提出有關其名下持股的問題。股東提出問題時，務請留下詳細聯絡資料以便本公司適時迅速回應。

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INVESTORS RELATIONS

The Company has established a shareholders communication policy between itself and its shareholders, and investors which aims to set out the principles of the Company in relation to the shareholders' communications, with the objective of ensuring timely, transparent and accurate communications between the shareholders of the Company and the Company. These include answering questions through the annual general meeting, the publication of annual, interim and quarterly reports, notices, announcements and circulars, the Company's website at www.sktargetgroup.com and meetings with investors and shareholders. News update of the Group's business development and operation are also available on the Company's website.

CONSTITUTIONAL DOCUMENTS

Since the Listing Date and up to the date of this annual report, there has been no changes in the Company's Constitutional documents. A copy of the Company's updated Constitutional Documents is available on the websites of the Company and the Stock Exchange.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company has established and maintained procedures and internal controls for the handling and dissemination of inside information. Directors, senior management and employees of the Group who are likely to be in possession of inside information of the Company are subject to dealing restrictions in securities of the Company pursuant to the GEM Listing Rules. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the GEM Listing Rules will be announced on the respective websites of the Stock Exchange and the Company.

投資者關係

本公司已制定股東通訊政策與股東及投資者溝通，當中旨在列述本公司有關股東通訊的原則，以確保本公司股東與本公司間及時、透明及準確的通訊。該等通訊包括於股東週年大會回答問題、刊發年度、中期及季度報告、通告、公告及通函、本公司網站(www.sktargetgroup.com)以及與投資者及股東間的會議。本集團業務發展及營運的消息更新亦可於本公司網站查閱。

章程文件

自上市日期起及直至本年報日期，本公司章程文件並無變動。本公司已更新章程文件的文本載於本公司及聯交所網站。

內幕消息的處理及傳播

本公司已建立並維持處理及傳播內幕消息的程序及內部監控。根據GEM上市規則，本集團可能擁有本公司內幕消息的董事、高級管理層及僱員須遵守本公司證券交易限制。任何內幕消息及可能構成內幕消息的任何資料將即時識別、評估並上報董事會，以供董事會決定是否須予披露。內幕消息及其他根據GEM上市規則須予披露的資料將適時於聯交所及本公司各自的網站上公佈。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SK TARGET GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of **SK TARGET GROUP LIMITED** (the "**Company**") and its subsidiaries (collectively referred to as "**the Group**") set out on pages 65 to 163, which comprise the consolidated statement of financial position as at 31 May 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 May 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("**IFRSs**") issued by the International Accounting Standards Board (the "**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致瑞強集團有限公司 全體股東的獨立核數師報告 *(於開曼群島註冊成立的有限公司)*

意見

我們已審核第65至163頁所載**瑞強集團有限公司**（「**貴公司**」）及其附屬公司（統稱「**貴集團**」）的綜合財務報表，該等綜合財務報表包括於2024年5月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註（包括重大會計政策資料概要）。

我們認為，綜合財務報表已根據國際會計準則理事會（「**國際會計準則理事會**」）頒佈的國際財務報告準則（「**國際財務報告準則**」）真實而中肯地反映 貴集團於2024年5月31日的綜合財務狀況以及截至該日止年度的綜合財務表現及綜合現金流量並已根據香港公司條例的披露規定妥為編製。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is impairment assessment of trade receivables.

意見基礎

我們已根據香港會計師公會（「**香港會計師公會**」）頒佈的香港審計準則（「**香港審計準則**」）進行審核。我們在該等準則下的責任於我們報告內「核數師就審核綜合財務報表須承擔的責任」一節中進一步論述。根據香港會計師公會頒佈的專業會計師道德守則（「**守則**」），我們獨立於貴集團，並已根據守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的意見提供基礎。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的該等事項。該等事項在我們審核貴集團整體綜合財務報表及出具意見時進行處理。我們不會對該等事項提供單獨的意見。我們識別的關鍵審核事項為貿易應收款項的減值評估。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審核事項 (續)

Impairment assessment of trade receivables 貿易應收款項減值評估

How our audit addressed the key audit matter 我們的審核如何處理關鍵審核事項

Refer to notes 3 (g)(v), 4, 18, 28(b) to the consolidated financial statements.

請參閱綜合財務報表附註3(g)(v)、4、18、28(b)。

As at 31 May 2024, the Group's gross trade receivables is approximately RM14,765,000 and out of those trade receivables approximately RM7,548,000 were past due.

於2024年5月31日，貴集團之貿易應收款項總額約為14,765,000令吉，且其中約7,548,000令吉的貿易應收款項已逾期。

As disclosed in note 18 to the consolidated financial statements, the Group's allowances for ECL on trade receivables as at 31 May 2024 amounted to approximately RM6,181,000.

如綜合財務報表附註18所披露，貴集團於2024年5月31日的貿易應收款項的預期信貸虧損撥備約為6,181,000令吉。

The trade receivables net of allowance was RM8,584,000, which represented approximately 17% of total assets of the Group.

貿易應收款項(扣除撥備)為8,584,000令吉，約佔貴集團總資產的17%。

As disclosed in note 28(b) to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables based on estimated loss rate, which is determined based on the management's assessment on information including credit profile of different customers or debtors, ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers or debtors, adjusted for factors that are specific to the debtors, and any forward-looking information without undue cost or effort, including time value of money where appropriate.

如綜合財務報表附註28(b)所披露，貴集團管理層根據估計虧損率估計貿易應收款項的全期預期信貸虧損金額，而估計虧損率乃根據管理層對不同客戶或債務人的信貸資料、貿易應收款項的賬齡、歷史結算記錄、後續結算情況、未償還餘額的預期變現時間及金額以及與相關客戶或債務人的持續交易關係等資料的評估而釐定，根據債務人特定的因素以及無需付出過多成本或努力即可獲得的任何前瞻性資料(包括貨幣時間價值(如適當))調整。

Our procedures in relation to the impairment assessment of trade receivables included:
我們有關貿易應收款項減值評估的程序包括：

- Understanding key controls on how the management estimates the loss allowance for trade receivables;
- 瞭解管理層估計貿易應收款項虧損撥備之關鍵監控措施；
- Challenging management's basis and judgement in determining credit loss allowances on trade receivables as at 31 May 2024, including their identification of credit-impaired trade receivables, and the basis of estimated loss rate such as customers' credit risk grading dependent on the customers' financial performance, historical loss rates and forward-looking information;
- 質疑管理層釐定於2024年5月31日的貿易應收款項信貸虧損撥備之基礎及判斷，包括彼等對信貸減值貿易應收款項之識別以及有關估計虧損率(如視乎客戶財務表現、歷史虧損率及前瞻性資料計算的客戶信貸風險評級)之基準；
- Evaluating the disclosures regarding the impairment assessment of trade receivables in notes 18 and 28(b) to the consolidated financial statements;
- 評估綜合財務報表附註18及28(b)中有關貿易應收款項減值評估的披露；
- Testing subsequent settlements of credit-impaired trade receivables, on a sample basis, by inspecting supporting documents in relation to cash receipt from trade receivables subsequent to the end of the current reporting period;
- 通過檢查當前報告期後有關貿易應收款項的現金收款情況抽樣測試信貸已減值之貿易應收款項的後續償付；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審核事項 (續)

Impairment assessment of trade receivables 貿易應收款項減值評估	How our audit addressed the key audit matter 我們的審核如何處理關鍵審核事項
We identified the impairment assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables at the end of the reporting period. 由於貿易應收款項對貴集團綜合財務狀況之重要性及於評估貴集團貿易應收款項於報告期末的預期信貸虧損（「預期信貸虧損」）時作出的主觀判斷及管理層估計，我們將貿易應收款項減值評估識別為關鍵審核事項。	• Obtaining and reviewing the assessment prepared by the external professional valuer engaged by the management, with the assistance of our valuation specialists; and • 取得及於我們的估值專家協助下審閱由管理層委聘的外部專業估值師所編製的評估；及 • Assessing the qualifications, experience and expertise of the external professional valuer engaged by the management and considered its objectivity and independence. • 評估管理層所委聘外部專業估值師的資格、經驗和專業知識，並考慮其客觀性和獨立性。

OTHER INFORMATION

其他資料

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements of the Group and our auditors' report thereon.

董事須對其他資料負責。其他資料包括年報所載的資料，惟不包括貴集團的綜合財務報表及我們就此發出的核數師報告。

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

我們對綜合財務報表發表的意見並未涵蓋其他資料，且我們亦不對該等其他資料發表任何形式的核證結論。

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

就審核綜合財務報表而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

倘若我們基於已完成的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。就此而言，我們並無需要報告的事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，及其認為就確保綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部監控。

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事有意將貴集團清盤或停止營運，或別無其他實際可行的替代方案，否則董事須採用以持續經營為基礎的會計法。

審核委員會協助董事負責監督貴集團之財務申報流程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們乃根據雙方協定之委聘條款僅向閣下（作為整體）報告我們的意見，除此之外本報告不得用作其他用途。我們並不就本報告內容向任何其他人士承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

我們根據香港審計準則進行審核的工作之一，是運用專業判斷，在整個審核過程中抱持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計於相關情況下屬適當的審核程序，但目的並非對貴集團內部監控的成效發表意見。
- 評估董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審核綜合財務報表須承擔的 責任 (續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有可能對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若我們總結認為有重大不確定因素，我們須在核數師報告中提請注意綜合財務報表內的相關披露，或如果相關披露不足，則修訂我們的意見。我們的結論基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括資料披露）的整體列報、架構和內容，以及綜合財務報表是否已中肯地列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足及恰當的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們就審核工作的計劃範圍和時間、在審核過程中的主要審核發現（包括內部監控的任何重大缺失）及其他事項與審核委員會進行溝通。

我們亦向審核委員會作出聲明，確認我們已遵守有關獨立性的專業道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及消除威脅的行動或採取的防範措施（如適用），與審核委員會進行溝通。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

McMillan Woods (Hong Kong) CPA Limited

Certified Public Accountants

Chan Chun Sing

Practising Certificate Number P05537

Hong Kong

29 August 2024

核數師就審核綜合財務報表須承擔的 責任 (續)

我們通過與審核委員會溝通，確定本期間綜合財務報表審核工作的最重要事項，即關鍵審核事項。除非法律或法規不容許公開披露此等事項，或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

長青（香港）會計師事務所有限公司

執業會計師

陳振聲

執業證書編號P05537

香港

2024年8月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MAY 2024
截至 2024 年 5 月 31 日止年度

		Notes 附註	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Revenue	收入	5	30,681	30,301
Cost of sales	銷售成本		(22,122)	(23,378)
Gross profit	毛利		8,559	6,923
Other income	其他收入		963	971
Allowance for credit loss, net	信貸虧損撥備淨額		(870)	(1,530)
Administrative expenses	行政開支		(5,977)	(4,308)
Selling and distribution expenses	銷售及分銷開支		(1,356)	(1,231)
Finance costs	融資成本	8	(133)	(97)
Share of results of an associate	分佔一間聯營公司業績	16	61	90
Profit before taxation	除稅前溢利	9	1,247	818
Taxation	稅項	10	(1,139)	(730)
Profit for the year	年內溢利		108	88
Other comprehensive income	其他全面收入			
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		410	405
Total comprehensive income for the year	年內全面收入總額		518	493
Earnings per share:	每股盈利：			(Restated) (經重列)
Basic and diluted (RM cents)	基本及攤薄 (仙令吉)	11	0.80	0.72

The notes on pages 71 to 163 form an integral part of these consolidated financial statements.

第71至163頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MAY 2024
於 2024 年 5 月 31 日

		Notes 附註	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Non-Current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	3,763	3,889
Investment property	投資物業	15	349	353
Right-of-use assets	使用權資產	14	428	995
Investment in an associate	於聯營公司的投資	16	3,466	3,334
Total Non-Current Assets	非流動資產總額		8,006	8,571
Current Assets	流動資產			
Inventories	存貨	17	1,800	2,004
Receivables, deposits and prepayments	應收款項、按金及預付款	18	12,485	11,863
Amount due from ultimate holding company	應收最終控股公司款項	19	40	44
Amount due from a shareholder	應收股東款項	19	35	12
Tax recoverable	可收回稅項		10	89
Short-term bank deposits	短期銀行存款	20	21,089	21,247
Cash and bank balances	現金及銀行結餘	20	7,142	6,828
Total Current Assets	流動資產總額		42,601	42,087
Current Liabilities	流動負債			
Payables and accrued charges	應付款項及應計費用	21	10,145	11,033
Lease liabilities	租賃負債	22	405	625
Tax payables	應付稅項		218	13
Promissory note	承兌票據	24	3,446	–
Total Current Liabilities	流動負債總額		14,214	11,671
Net Current Assets	淨流動資產		28,387	30,416
Total Assets Less Current Liabilities	總資產減流動負債		36,393	38,987

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MAY 2024
於 2024 年 5 月 31 日

		Notes 附註	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Non-Current Liabilities	非流動負債			
Lease liabilities	租賃負債	22	–	405
Deferred tax liabilities	遞延稅項負債	23	95	131
Promissory note	承兌票據	24	–	3,276
Total Non-Current Liabilities	非流動負債總額		95	3,812
Net Assets	淨資產		36,298	35,175
Capital and Reserves	資本及儲備			
Share capital	股本	25	6,028	5,438
Reserves	儲備	26	30,270	29,737
Total Equity	權益總額		36,298	35,175

The consolidated financial statements on pages 71 to 163 were approved and authorised for issue by the Board of Directors on 29 August 2024 and are signed on its behalf by:

載於第71至163頁的綜合財務報表已於2024年8月29日由董事會批准並授權刊發，並由下列董事代表簽署：

Loh Swee Keong

Director
董事

Yau Ka Hei

邱家禧
Independent Non-Executive Director
獨立非執行董事

The notes on pages 71 to 163 form an integral part of these consolidated financial statements.

第71至163頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 MAY 2024

截至 2024 年 5 月 31 日止年度

		Share capital 股本 (note 25) (附註25) RM'000 千令吉	Share premium 股份溢價 (note 26(a)) (附註26(a)) RM'000 千令吉	Other reserve 其他儲備 (note 26(b)) (附註26(b)) RM'000 千令吉	Translation reserve 匯兌儲備 (note 26(c)) (附註26(c)) RM'000 千令吉	Accumulated losses 累積虧損 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2022	於2022年6月1日	4,501	27,228	8,579	(355)	(7,039)	32,914
Profit for the year	年內溢利	-	-	-	-	88	88
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	405	-	405
Total comprehensive income for the year	年內全面收入總額	-	-	-	405	88	493
Placing (note 25(a))	配售事項 (附註25(a))	937	831	-	-	-	1,768
At 31 May 2023	於2023年5月31日	5,438	28,059	8,579	50	(6,951)	35,175
At 1 June 2023	於2023年6月1日	5,438	28,059	8,579	50	(6,951)	35,175
Profit for the year	年內溢利	-	-	-	-	108	108
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	410	-	410
Total comprehensive income for the year	年內全面收入總額	-	-	-	410	108	518
Issue of subscription shares by newly allotted ordinary shares (note 25(b))	透過新配發普通股發行認購股份 (附註25(b))	590	15	-	-	-	605
At 31 May 2024	於2024年5月31日	6,028	28,074	8,579	460	(6,843)	36,298

The notes on pages 71 to 163 form an integral part of these consolidated financial statements.

第71至163頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MAY 2024

截至 2024 年 5 月 31 日止年度

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	1,247	818
Adjustments for:	就以下各項作出調整：		
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	685	638
Investment property	投資物業	4	4
Right-of-use assets	使用權資產	568	625
Allowance for credit losses, net	信貸虧損撥備淨額	870	1,530
Finance costs	融資成本	133	97
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備的 (收益)/虧損	(136)	74
Share of results of an associate	分佔一間聯營公司業績	(61)	(90)
Unrealised losses on foreign exchange	未變現外匯虧損	84	75
Interest income	利息收入	(764)	(657)
Operating profit before working capital changes	營運資金變動前的經營利潤	2,630	3,114
Movements in working capital:	營運資金變動：		
Decrease/(increase) in:	下列各項減少/(增加)：		
Inventories	存貨	204	1,131
Receivables, deposits and prepayments	應收款項、按金及預付款	(1,492)	(4,105)
(Decrease)/increase in:	下列各項(減少)/增加：		
Payables and accrued charges	應付款項及應計費用	(888)	3,914
Net cash generated from operations	營運所得現金淨額	454	4,054
Income tax paid	已付所得稅	(895)	(551)
Net cash generated (used in)/from operating activities	經營活動(所用)/所得現金淨額	(441)	3,503

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MAY 2024

截至 2024 年 5 月 31 日止年度

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	764	657
Purchase of property, plant and equipment	購買物業、廠房及設備	(560)	(297)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	137	57
Decrease/(increase) in pledged short-term bank deposits	已抵押短期銀行存款減少／(增加)	915	(17)
Advance to a shareholder	向一名股東墊款	(23)	(1)
Advance from/(to) ultimate holding company	來自最終控股公司／(向最終控股公司作出)的墊款	4	(9)
Net cash generated from investing activities	投資活動所得現金淨額	1,237	390
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of shares	發行股份所得款項	605	1,768
Finance costs paid	已付融資成本	(10)	(10)
Capital element of lease rentals paid	已付租金之資本部分	(625)	(601)
Interest element of lease rentals paid	已付租金之利息部分	(24)	(56)
Net cash (used in)/generated from financing activities	融資活動(所用)／所得現金淨額	(54)	1,101
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	742	4,994
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	26,948	21,687
Effects of exchange differences	匯兌差額的影響	329	267
CASH AND CASH EQUIVALENTS AT END OF YEAR (note 20)	年末現金及現金等價物(附註20)	28,019	26,948

The notes on pages 71 to 163 form an integral part of these consolidated financial statements.

第71至163頁附註構成此等綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. GENERAL INFORMATION

SK Target Group Limited (the “**Company**”) was incorporated in the Cayman Islands with limited liability on 28 October 2016 and its ordinary shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) since 19 July 2017. The addresses of the registered office and principal place of business are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia, respectively.

Merchant World Investments Limited (“**Merchant World**”), a limited company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate holding company of the Company. Mr. Loh Swee Keong, is the ultimate controlling party of the Company who wholly owns Merchant World.

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia, sourcing service of materials in Hong Kong. The principal activities and other particulars of the subsidiary companies are set out in note 31.

1. 一般資料

瑞強集團有限公司（「**本公司**」）於2016年10月28日於開曼群島註冊成立為有限公司，且其普通股已自2017年7月19日起於香港聯合交易所有限公司（「**聯交所**」）GEM上市。註冊辦事處地址及主要營業地點分別為Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands及18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia。

Merchant World Investments Limited（「**Merchant World**」，一家在英屬處女群島（「**英屬處女群島**」）註冊成立的有限公司）是本公司的直接及最終控股公司。Loh Swee Keong先生為本公司的最終控制方，並全資擁有Merchant World。

本公司是一家投資控股公司，而本集團的主要業務為於馬來西亞從事預製混凝土接線盒的製造和貿易、配件及管道貿易以及提供移動式起重機租賃及配套服務、於香港從事物料採購服務。附屬公司的主要業務及其他詳情載於附註31。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following amendments to International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") to these consolidated financial statements for the current accounting period:

IFRS 17	Insurance Contracts
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules

The application of the amendments to IFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

For the new and amendments to IFRS Standards in issue but not yet effective, please refer to note 37.

2. 應用經修訂國際財務報告準則

於本年度，本集團已就現行會計期間的該等綜合財務報表應用下列由國際會計準則理事會（「國際會計準則理事會」）頒佈的國際財務報告準則（「國際財務報告準則」）之修訂本：

國際財務報告準則第17號	保險合約
國際會計準則第8號（修訂本）	會計估計的定義
國際會計準則第1號及國際財務報告準則實務報告第2號（修訂本）	會計政策披露
國際會計準則第12號（修訂本）	產生自單一交易的資產及負債相關的遞延稅項
國際會計準則第12號（修訂本）	國際稅務改革 – 第二支柱範本規則

於本年度應用該等國際財務報告準則修訂本並無對本年度及過往年度的本集團財務狀況及表現及／或該等綜合財務報表所載的披露造成重大影響。

已頒佈但尚未生效之新訂及經修訂國際財務報告準則，請參閱附註37。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS *(Continued)*

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

In June 2022 the Hong Kong SAR Government (the “**Government**”) gazette the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”), which will come into effect from 1 May 2025 (the “**Transition Date**”). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund (“**MPF**”) scheme to reduce the long service payment (“**LSP**”) in respect of an employee’s service from the Transition Date (the abolition of the “**offsetting mechanism**”). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the years of service up to that date. In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP. However, applying this approach, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of IAS 19 that previously allowed such deemed contributions to be recognised as reduction of service cost (negative service cost) in the period the contributions were made; instead these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit.

2. 應用經修訂國際財務報告準則 (續)

香港會計師公會就取消香港強積金與長期服務金抵銷機制之會計發出之新指引

於2022年6月，香港特區政府（「**政府**」）憲報刊登《2022年僱傭及退休計劃法例（抵銷安排）（修訂）條例》（「**修訂條例**」），其將於2025年5月1日（「**過渡日期**」）生效。當修訂條例生效，僱主於過渡日期起將不可再使用強制性公積金（「**強積金**」）計劃供款之任何應計福利以減低僱員服務之長期服務金（「**長期服務金**」）（取消「**對沖機制**」）。此外，在過渡日期前之服務的長期服務金將根據僱員在過渡日期之前的月薪及截至過渡日期的服務年數計算。2023年7月，香港會計師公會出版公佈《取消強制性公積金—長期服務金「對沖」機制之會計影響》，當中就抵銷機制及廢除該機制提供會計指引。尤其是，該指引指出實體可入賬來自強制性強積金供款的應計福利，該等供款預期將用於扣減應付予僱員的長期服務金，作為該僱員長期服務金的視作供款。然而，應用此法，於2022年6月頒佈修訂條例後，國際會計準則第19號第93(b)段過往允許將該等視作供款確認為在作出供款期間扣減服務成本（負服務成本）之實際權宜之計不再被允許，相反，該等視作供款應按與長期服務金福利總額相同之方式歸屬於服務期間。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS *(Continued)*

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism *(Continued)*

To better reflect the substance of the abolition of the offsetting mechanism, the Group has changed its accounting policy in connection with its LSP liability and has applied the above HKICPA guidance retrospectively. The cessation of applying the practical expedient in paragraph 93(b) of IAS 19 in conjunction with the enactment of the Amendment Ordinance resulted in a catch-up profit or loss adjustment in June 2022 for the service cost up to that date and consequential impacts on current service cost, interest expense and remeasurement effects from changes in actuarial assumptions for the rest of 2022, with the corresponding adjustment to the comparative carrying amount of the LSP liability. This change in accounting policy did not have any material impact on the opening balance of equity at 1 June 2022. It also did not have a material impact on the consolidated statement of financial position as at 31 May 2023 and 31 May 2024.

2. 應用經修訂國際財務報告準則 (續)

香港會計師公會就取消香港強積金與長期服務金抵銷機制之會計發出之新指引 (續)

為更能反映廢除抵銷機制之實質，本集團已更改有關其長期服務金負債之會計政策，並已追溯應用香港會計師公會上述指引。在頒佈修訂條例時終止應用國際會計準則第19號第93(b)段之實際權宜之計導致於2022年6月就截至該日止之服務成本作出補足損益調整，及2022年其餘時間精算假設變動對現行服務成本、利息開支及重新計量影響之相應影響，並對長期服務金負債之比較賬面值作出相應調整。此會計政策變動對2022年6月1日之期初權益結餘並無任何重大影響。其亦對截至2023年5月31日及2024年5月31日的綜合財務狀況表無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable IFRSs, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations issued by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of Stock Exchange (the “**GEM Listing Rules**”). Significant accounting policies adopted by the Company and its subsidiaries (collectively referred as “**the Group**”) are disclosed below.

The IASB has issued certain amendments to IFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

The consolidated financial statements for the year ended 31 May 2024 comprise the Company and its subsidiaries.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). These consolidated financial statements are presented in Ringgit Malaysia (“**RM**”), rounded to the nearest thousand (RM’000), unless otherwise stated. RM is the Company’s functional currency and the Group’s presentation currency.

3. 重大會計政策概要

(a) 編製基準

該等綜合財務報表乃按照國際會計準則理事會頒佈之所有適用的國際財務報告準則（此統稱包括所有適用的個別國際財務報告準則、國際會計準則（「**國際會計準則**」）及詮釋）以及香港公司條例的披露規定編製。該等綜合財務報表亦符合聯交所GEM證券上市規則（「**GEM上市規則**」）的適用披露條文。本公司及其附屬公司（統稱為「**本集團**」）所採納之重大會計政策披露如下。

國際會計準則理事會已頒佈若干於本集團現行會計期間首次生效或可供提早採納之經修訂國際財務報告準則。附註2提供因首次應用該等修訂所產生而與本集團現行及過往會計期間相關並在該等財務報表內反映之任何會計政策變動的資料。

截至2024年5月31日止年度的綜合財務報表包括本公司及其附屬公司。

本集團各實體財務報表所包含之項目乃採用該實體經營所在地之主要經濟環境之貨幣（「**功能貨幣**」）計量。該等綜合財務報表乃以馬來西亞令吉（「**令吉**」）呈列，除另有說明外，有關金額均約整至最接近的千位數（千令吉）。本公司之功能貨幣及本集團之呈列貨幣均為馬來西亞令吉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(a) Basis of preparation *(Continued)*

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have a significant effect on the financial statements and major source of estimation uncertainty are discussed in note 4.

The consolidated financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

3. 重大會計政策概要 (續)

(a) 編製基準 (續)

編製符合國際財務報告準則的財務報表需要管理層作出會影響政策應用及資產、負債、收入與開支的報告金額的判斷、估計及假設。估計及有關假設乃基於過往經驗及多個被認為在有關情況下屬合理的其他因素而作出，所得結果乃用作判斷無法輕易自其他來源得知之資產及負債賬面值的依據。實際結果或會有別於該等估計。

估計及相關假設按持續基準審閱。倘修訂僅影響估計作出修訂的期間，則會計估計修訂會於該期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

管理層在應用國際財務報告準則過程中所作出對財務報表具有重大影響之判斷及估計不明朗因素之主要來源披露於附註4。

綜合財務報表乃按歷史成本法編製。

已採納的主要會計政策載於下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary company begins when the Group obtains control over the subsidiary company and ceases when the Group loses control over the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary company.

Where necessary, adjustments are made to the financial statements of a subsidiary company to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 重大會計政策概要 (續)

(b) 合併基準

綜合財務報表包括本公司及其附屬公司的財務報表。當本公司符合下列情況，則視為取得控制權：

- 有權力控制投資對象；
- 參與投資對象的業務而取得或有權取得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對投資對象擁有控制權。

附屬公司的綜合入賬於本集團取得附屬公司的控制權起開始，並於本集團失去附屬公司的控制權時終止。具體而言，年內所收購或出售附屬公司的收入及開支乃自本集團取得控制權的日期起計入綜合全面收益表，直至本集團不再控制附屬公司的日期為止。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策相符。

有關本集團成員公司之間交易的所有集團內公司間的資產、負債、股權、收入、開支及現金流量於綜合時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(c) Property, plant and equipment

The following items of property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses (see note 3 (h)):

- interests in leasehold land and buildings where the Group is the registered owner of the property interest (see note 3 (i));
- right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 3 (i)).

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 重大會計政策概要 (續)

(c) 物業、廠房及設備

以下物業、廠房及設備項目（在建工程除外）乃按成本減去累計折舊及減值虧損列賬（見附註3(h)）：

- 租賃持有之土地及樓宇之權益且本集團為該等物業權益的註冊擁有人（見附註3(i)）；
- 以租賃持有之物業且本集團並非該等物業權益的註冊擁有人所產生的使用權資產；及
- 廠房及設備項目，包括相關廠房及設備租賃所產生的使用權資產（見附註3(i)）。

確認折舊是用直線法在資產的估計可使用年期內撇銷其成本減其剩餘價值。估計可使用年期、剩餘價值及折舊方法均於各報告期末時檢討，而估計的任何變動的影響則預先入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。物業、廠房及設備項目於出售或報廢時產生的任何盈虧，乃按銷售所得款項與該資產的賬面值兩者間的差額釐定，並於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(d) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(f) Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3. 重大會計政策概要 (續)

(d) 投資物業

投資物業是持有以用來賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業乃按成本減其後累計折舊及任何累計減值虧損列賬。折舊獲確認以按投資物業的估計可使用年期以直線法撇銷其成本。

投資物業於出售時或於投資物業永久不再使用且預期出售不會產生未來經濟利益時終止確認。終止確認物業產生的任何收益或虧損（按出售所得款項淨額與資產賬面值之間差額計算）會計入終止確認物業期間的損益。

(e) 存貨

存貨按成本及可變現淨值兩者中的較低者列賬。存貨成本採用加權平均成本法計算。可變現淨值代表存貨估計售價減所有估計完成成本及進行銷售所需成本。

(f) 於聯營公司的投資

聯營公司指本集團對其有重大影響力的實體。重大影響力指有權參與投資對象的財務及經營政策決策，但並非控制或共同控制該等政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's accounting policies to those of the Group. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 重大會計政策概要 (續)

(f) 於聯營公司的投資 (續)

聯營公司之業績以及資產及負債以權益會計法計入該等綜合財務報表，惟倘投資或部分投資分類為持作出售，於此情況下，則根據國際財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。並無分類為持作出售的聯營公司投資的任何保留部分繼續使用權益法入賬。作權益會計用途的聯營公司財務報表乃按與本集團於類似情況下就類似交易及事件所採用者一致的會計政策編製。已作出適當調整以使聯營公司的會計政策與本集團的會計政策一致。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔聯營公司之損益及其他全面收益而作出調整。聯營公司的淨資產（損益及其他全面收益除外）變動不會入賬，除非該等變動導致本集團持有的所有權權益出現變動。當本集團應佔聯營公司之虧損超出本集團於該聯營公司之權益（包括實質上構成本集團於聯營公司投資淨額一部分之任何長期權益）時，本集團終止確認其應佔之進一步虧損。僅於本集團已產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策概要 (續)

(f) 於聯營公司的投資 (續)

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。於收購聯營公司之投資時，投資成本超出本集團應佔投資對象可識別資產及負債公平淨值之任何差額乃確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債之公平淨值超出投資成本之任何差額，於重新評估後即時於收購投資期間在損益中確認。

本集團評估是否有客觀證據顯示於聯營公司的權益可能出現減值。倘存在任何客觀證據，投資之全部賬面值（包括商譽）會根據國際會計準則第36號以單一資產之方式進行減值測試，方法是比較其可收回金額（即使用價值與公平值減出售成本之較高者）與其賬面值。任何已確認之減值虧損不會分配至構成投資賬面值一部分之任何資產（包括商譽）。有關減值虧損之任何撥回乃於投資之可收回金額其後增加時根據國際會計準則第36號確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 重大會計政策概要 (續)

(f) 於聯營公司的投資 (續)

當本集團不再對聯營公司擁有重大影響力時，則入賬列作出售投資對象的全部權益，所產生的收益或虧損於損益內確認。當本集團保留於前聯營公司之權益，且該保留權益為國際財務報告準則第9號範圍內之金融資產時，則本集團會於該日按公平值計量保留權益，而該公平值會視為於初步確認時之公平值。聯營公司的賬面值與任何保留權益及出售聯營公司相關權益的任何所得款項的公平值之間的差額，會於釐定出售聯營公司的收益或虧損時入賬。此外，本集團會將過往於其他全面收入就聯營公司確認之所有金額按聯營公司直接出售相關資產或負債所用之相同基準入賬。因此，倘聯營公司過往於其他全面收入確認之收益或虧損將於出售相關資產或負債時重新分類至損益，則本集團於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益（作為重新分類調整）。

當於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團會繼續採用權益法。於所有權權益出現有關變動時不會重新計量公平值。

當本集團削減其於聯營公司之所有權權益但繼續採用權益法時，倘過往於其他全面收入所確認與削減所有權權益有關之部分收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將該收益或虧損重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(f) Investment in an associate (Continued)

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

(g) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 重大會計政策概要 (續)

(f) 於聯營公司的投資 (續)

當集團實體與本集團之聯營公司進行交易，與聯營公司進行交易所產生之損益僅在聯營公司之權益與本集團無關之情況下於綜合財務報表確認。

(g) 金融工具

當集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。所有日常購買或出售的金融資產均按交易日基準確認及終止確認。日常購買或出售指按於市場規則或慣例確立的時限內交付資產的金融資產購買或出售。

金融資產及金融負債初步按公平值計量，惟自客戶合約產生的貿易應收款項除外，其初步根據國際財務報告準則第15號計量。收購或發行金融資產及金融負債直接應佔的交易成本乃於初步確認時計入金融資產或金融負債的公平值，或從其公平值扣除（如適用）。

實際利率法為計算金融資產或金融負債的攤銷成本及按相關期間分配利息收入及利息開支的方法。實際利率為於金融資產或金融負債的預期年期或（如適用）較短期間內將估計未來現金收入及付款（包括構成實際利率不可或缺一部分的所有已付或已收費用及貼息、交易成本以及其他溢價或折讓）準確貼現為於初步確認時之賬面淨值的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross earning amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產

金融資產的分類及後續計量

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃以目的為收取合約現金流量的業務模式持有；及
- 合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金金額的利息。

攤銷成本及利息收入

就其後按攤銷成本計量的金融資產，利息收入使用實際利率法確認。就並非收購或產生的信貸已減值金融資產的金融工具，利息收入使用實際利率按金融資產賬面總值計算，惟其後信貸已減值的金融資產除外（見下文）。就其後信貸已減值的金融資產，利息收入乃自下一個報告期間起使用實際利率按金融資產的攤銷成本確認。倘信貸減值金融工具的信貸風險改善，金融資產不再信貸減值，則利息收入自釐定資產不再信貸減值後的報告期初起使用實際利率按金融資產的賬面總值確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 including receivables and deposits, amount due from ultimate holding company, amount due from a shareholder, short-term bank deposits and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the management's assessment on the individual customer's credit risk grading dependent on the customer's financial performance, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值

本集團就根據國際財務報告準則第9號面臨減值的金融資產（包括應收款項及按金、應收最終控股公司款項、應收股東款項、短期銀行存款及銀行結餘）的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具於預計全期內所有可能違約事件產生的預期信貸虧損。相反，12個月預期信貸虧損（「12個月預期信貸虧損」）指預計於報告日期後12個月內可能發生的違約事件產生的部分全期預期信貸虧損。評估乃根據管理層對個別客戶的信貸風險等級之評估，並就債務人特定因素、一般經濟狀況以及對於報告日期之當時狀況及未來狀況預測的評估作調整。

本集團始終確認貿易應收款項的全期預期信貸虧損。該等資產的預期信貸虧損進行個別評估。

就所有其他工具而言，本集團計量虧損撥備等於12個月預期信貸虧損，除非當金融工具的信貸風險自初始確認以來顯著上升，在此情況下，虧損撥備按相等於全期預期信貸虧損的金額計量。評估是否應確認全期預期信貸虧損乃根據自初始確認以來發生違約的可能性或風險顯著上升。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Other financial asset measured at fair value, including equity securities measured at fair value through profit or loss ("FVPL") are not subject to the ECL assessment.

- (i) Significant increase in credit risk
- In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument assessed as at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without resources by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor;

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

按公平值計量的其他金融資產 (包括按公平值計入損益 (「按公平值計入損益」) 的權益證券) 無須進行預期信貸虧損評估。

- (i) 信貸風險大幅增加
- 於評估金融工具的信貸風險是否自初始確認以來大幅增加時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團認為，倘(i)借款人不大可能在本集團無資源採取變現抵押 (如持有) 等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 未能於合約到期日支付本金或利息；
- 金融工具外部或內部信貸評級 (如有) 的實際或預期重大惡化；
- 債務人經營業績的實際或預期重大惡化；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its debt obligations to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

- (ii) Definition of default
- For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

- (i) 信貸風險大幅增加 (續)
- 技術、市場、經濟或法律環境的現有或預測變動對債務人履行其對本集團債務責任的能力構成重大不利影響。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明則當別論。

本集團定期監控用以識別信用風險有否大幅增加之標準的效力，並修訂標準（如適當）以確保標準能在金額逾期前識別信貸風險大幅增加。

- (ii) 違約的定義
- 就內部信貸風險管理而言，本集團認為，違約事件在內部制定或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款時發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable events:

- (a) significant financial difficulty of the debtor;
- (b) a breach of contract, such as a default or past due event;
- (c) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (d) significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iii) 信貸已減值金融資產

於各報告日期，本集團評估金融資產是否出現信貸減值。金融資產在一項或以上違約事件（對該金融資產估計未來現金流量構成不利影響）發生時維持信貸減值。金融資產出現信貸減值的證據包括有關下列可觀察事件：

- (a) 債務人的重大財務困難；
- (b) 違反合約（如違約或逾期事件）；
- (c) 借款人將可能陷入破產或其他財務重組；
- (d) 技術、市場、經濟或法律環境出現對債務人有不利影響的重大變動；或
- (e) 該金融資產的活躍市場因財務困難而消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iv) 撇銷政策

倘有資料顯示對手方面對嚴重財務困難，且實際上並無收回款項的前景（如對手方被清盤或進入破產程序，或（如為貿易應收款項）金額已逾期超過兩年（以較早發生者為準）），則本集團會撇銷金融資產。經考慮法律意見後（倘合適），撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回於損益中確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率（即違約損失程度）及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的歷史數據評估。

預期信貸虧損的預估乃無偏概率加權平均金額，以發生相關違約的風險為權重確定。一般而言，預期信貸虧損按本集團根據合約應收的所有合約現金流量與本集團預計收取的所有現金流量的差額估計，並按初始確認時釐定的實際利率貼現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities

The Group's other financial liabilities including payables and accrued charges are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the considerations paid and payable is recognised in profit or loss.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(v) 預期信貸虧損的計量及確認 (續)

本集團通過調整賬面值於損益內確認所有金融工具的減值收益或虧損，惟貿易應收款項除外，其相應調整透過虧損撥備賬確認。

一間集團實體發行的債務及股本工具乃根據合約安排內容及就金融負債及股本工具的定義分類為金融負債或股本。

股本工具

股本工具是證明任何在扣除所有負債後實體的資產剩餘權益的合約。集團實體發行的股本工具乃按已收所得款項（扣除直接發行成本）確認。

其他金融負債

本集團的其他金融負債（包括應付款項及應計費用）其後以實際利率法按攤銷成本計量。

終止確認金融負債

本集團乃於及僅於本集團之責任獲解除、註銷或到期時終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之間之差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

3. 重大會計政策概要 (續)

(h) 租賃資產

在合同訂立之時，本集團評估合同是否為租賃或者包含租賃。倘合同於一段時間內轉讓已識別資產的使用控制權以換取代價，則該合同為租賃或包含租賃。倘客戶已有權指示已識別資產的用途以及從該用途中獲得絕大部分經濟利益時，即表示控制權已轉讓。

(i) 作為承租人

倘合約包含租賃部分及非租賃部分，本集團已選擇不區分非租賃部分，並就所有租賃將各租賃部分及任何相聯非租賃部分入賬為單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值資產的租賃則除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等租賃有關的未資本化租賃付款於租期內系統化確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(h) Leased assets *(Continued)*

(i) As a lessee *(Continued)*

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

如租賃資本化，租賃負債初始按租期內應付租賃付款的現值確認，並使用租賃內含利率（或如該利率無法即時釐定，則按有關增量借款利率）折現。於初始確認後，租賃負債以攤銷成本計量，利息開支則使用實際利率法計算。不取決於指數或利率的可變租賃付款並不計入租賃負債的計量，故於其產生之會計期間自損益扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(h) Leased assets (Continued)

(i) As a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 3(c) and 3(h)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property in accordance with note 3(d); and
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at cost in accordance with note 3(c).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see notes 3(g) and 3(m)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

租賃資本化時確認的使用權資產初始按成本計量，包括租賃負債初始金額加開始日期當日或之前作出的任何租賃付款，以及所引致的任何初始直接成本。如適用，使用權資產成本亦包括在相關資產所在地拆除相關資產或恢復相關資產的估計成本，折現至其現值，減任何已收租賃獎勵。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註3(c)及3(h)），惟以下類型的使用權資產除外：

- 符合投資物業定義之使用權資產根據附註3(d)入賬；及
- 與租賃土地及樓宇有關的使用權資產（本集團為租賃權益的註冊擁有人）根據附註3(c)按成本列賬。

根據適用於按攤銷成本列賬的債務證券投資的會計政策，可退還租金按金的初始公平值與使用權資產分開入賬（見附註3(g)及3(m)）。初始公平值與按金面值之間的任何差額，列為額外租賃付款入賬，並計入使用權資產成本中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(h) Leased assets *(Continued)*

(i) As a lessee *(Continued)*

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of IFRS 16 Leases. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據剩餘價值擔保估計應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

當租賃範疇發生變化或租賃合同原先並無規定的租賃代價發生變化（「**租賃修改**」），且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在該等情況，租賃負債根據經修訂的租賃付款和租賃期限，使用經修訂的貼現率在修改生效日重新計量。因COVID-19疫情而直接產生的租金減免，並僅當國際財務報告準則第16號租賃第46B段所載的條件獲滿足的情況下除外。在該等情況下，本集團已利用實際權宜方法不評估租金減免是否為租賃修改，並於觸發租金減免的事件或條件發生期間於損益確認代價變動為負可變租賃付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(h) Leased assets *(Continued)*

(i) As a lessee *(Continued)*

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the consolidated statement of financial position.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 3(m).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption, then the Group classifies the sub-lease as an operating lease.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

於綜合財務狀況表內，長期租賃負債的即期部分釐定為應於報告期結束後十二個月內結算的合同付款的現值。

本集團將不符合投資物業定義的使用權資產與租賃負債分別呈列於綜合財務狀況表。

(ii) 作為出租人

倘本集團作為出租人，其於租賃開始時釐定各租賃為融資租賃或經營租賃。倘租賃轉移相關資產所有權附帶之絕大部分風險及回報至承租人，則租賃分類為融資租賃。否則，租賃分類為經營租賃。

倘合約包含租賃及非租賃部分，本集團按相關單獨售價基準將合約代價分配至各部分。經營租賃所得租金收入根據附註3(m)確認。

倘本集團為中介出租人，分租賃乃參考主租賃產生的使用權資產，分類為融資租賃或經營租賃。倘主租賃乃短期租賃而本集團應用豁免，則本集團將分租賃分類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(i) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see note 3(g)).

(j) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 3(g), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 3(g).

3. 重大會計政策概要 (續)

(i) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時確認。倘代價到期前僅需待時間推移，則收取代價之權利為無條件。倘收益在本集團有無條件權利收取代價前經確認，則金額呈列為合約資產。

並無重大融資成分的貿易應收款項初步按其交易價格計量。包含重大融資成分的貿易應收款項及其他應收款項初步按公平值加交易成本計量。所有應收款項其後採用實際利率法按攤銷成本列賬（包括信貸虧損撥備（見附註3(g)））。

(j) 貿易及其他應付款項

貿易及其他應付款項初始按公平值確認。除根據附註3(g)計算的金融擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，於此情況下，則按發票金額入賬。

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構的活期存款以及購入後於三個月內到期可隨時轉換為已知金額現金的短期高流通性並且價值改變風險不大的投資。在編製綜合現金流量表時，現金及現金等價物亦包括須按要求償還及構成本集團現金管理一部分的銀行透支。現金及現金等價物根據附註3(g)所載政策評估預期信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(I) Revenue

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

3. 重大會計政策概要 (續)

(I) 收入

本集團於（或由於）達成履約責任時（即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時）確認收入。

履約責任指一項明確貨品或服務（或一批貨品或服務）或一系列大致相同的明確貨品或服務。

倘符合以下條件之一，控制權按時間轉移，而收入經參考完全達成相關履約責任的進度按時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創造及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，於客戶獲得明確貨品或服務控制權時確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(I) Revenue *(Continued)*

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

3. 重大會計政策概要 (續)

(I) 收入 (續)

委託人相對代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約義務（即本集團為委託人）或安排由另一方提供該等商品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

倘本集團的履行義務為安排另一方提供指定的商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的指定商品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定商品或服務預期有權取得的任何收費或佣金的金額確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(m) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and non-monetary benefits are recognised as expense in the period in which the associated services are rendered by employees of the Group. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Retirement benefits costs

Contributions to defined contribution retirement plans are recognised as an expense when employees have rendered services entitling them to the contributions. The Group has no further payment obligations once these contributions have been paid.

For LSP obligation, the Group accounts for the employer MPF contributions expected to be offsetted as a deemed employee contribution towards the LSP obligation in term of IAS 19 paragraph 93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees

3. 重大會計政策概要 (續)

(m) 僱員福利

(i) 短期僱員福利

工資、薪金、花紅及非金錢利益於本集團僱員提供相關服務的期間確認為開支。短期非累積有薪休假（如病假）於休假時確認。

(ii) 退休福利成本

向界定供款退休計劃作出的供款於僱員提供服務致使彼等合資格享有供款時確認為開支。本集團一經繳付該等供款後再無進一步付款責任。

就長期服務金責任而言，本集團根據國際會計準則第19號第93(a)段將預期將會被抵銷之僱主強積金供款作為僱員對長期服務金責任之視作供款入賬，並按淨額基準計量。未來福利的估計金額於扣減源自本集團授予僱員之強積金供款（被視為相關僱員之供款）之應計福利所產生的負服務成本後釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(n) Foreign currency

(i) Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

(ii) Translation reserve

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Ringgit Malaysia using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

3. 重大會計政策概要 (續)

(n) 外幣

(i) 交易及結餘

本年度的外幣交易乃按於交易日期適用的外幣匯率換算。以外幣計值的貨幣資產及負債乃按報告期末適用的外幣匯率換算。匯兌收益及虧損於損益確認。

根據歷史成本計量並以外幣為單位之非貨幣資產及負債，乃採用於交易日期之適用的外幣匯率換算。交易日為本公司初始確認有關非貨幣資產或負債的日期。按公平值列賬並以外幣列值之非貨幣資產及負債，乃採用於釐定公平值當日適用之外幣匯率換算。

(ii) 匯兌儲備

就呈列綜合財務報表而言，本集團海外業務的資產及負債乃採用報告期末現行匯率以令吉列賬。收入及開支項目乃按年內平均匯率兌換，除非該年內匯率大幅波動，在此情況下採用交易日期的匯率計算。所產生匯兌差額（如有）乃於其他全面收益確認並於匯兌儲備項下權益累計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(o) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets, if any, is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 重大會計政策概要 (續)

(o) 稅項

所得稅開支是指即期應付稅項與遞延稅項的總和。

即期稅項

即期應付稅項乃根據年內的應課稅溢利計量。應課稅溢利與綜合損益及其他全面收益表中呈報的除稅前虧損不同，原因在於其他年度的應課稅收入或可扣稅開支項目，及從未課稅或不可扣稅的項目。本集團的即期稅項以各報告期末已頒佈或實質已頒佈的稅率計算。

遞延稅項

遞延稅項按綜合財務報表中資產及負債賬面值與其用於計算應課稅溢利的相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額予以確認。遞延稅項資產一般於有可能有應課稅溢利可動用以抵銷可扣減暫時差額的情況下，就所有可扣減暫時差額確認。倘於初步確認（惟業務合併除外）交易的資產及負債時產生暫時差額不影響應課稅溢利或會計溢利，且於交易時並無產生同等應課稅及可扣減暫時差額，則不會確認有關遞延稅項資產及負債。

遞延稅項資產賬面值（如有）於各報告期末審閱，並在不再可能有足夠應課稅溢利以供收回全部或部分資產的情況下調減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(o) Taxation *(Continued)*

Deferred tax *(Continued)*

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 重大會計政策概要 (續)

(o) 稅項 (續)

遞延稅項 (續)

遞延稅項負債及資產根據各報告期末已頒佈或實質已頒佈的稅率（及稅法），按預期償付負債或變現資產期內適用的稅率計算。

遞延稅項負債及資產的計量反映按照本集團於各報告期末收回或清償其資產及負債賬面值所預期方式的稅務後果。

即期及遞延稅項於損益內確認，惟倘其涉及於其他全面收益或直接於權益內確認的項目，則即期及遞延稅項亦分別於其他全面收益或直接於權益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(o) Taxation (Continued)

Deferred tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

3. 重大會計政策概要 (續)

(o) 稅項 (續)

遞延稅項 (續)

即期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予抵銷。倘本公司或本集團擁有以即期稅項資產抵銷即期稅項負債之法律強制執行權，以及符合以下之額外條件時，即期稅項資產才會與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就即期稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或
- 就遞延稅項資產及負債而言，如該資產及負債涉及之所得稅乃由同一個稅務機關向以下各方徵收：
 - 同一個應課稅實體；或
 - 不同應課稅實體，但於每一段未來期間，預期將償還或收回龐大之遞延稅項負債或資產，計劃以淨額方式變現即期稅項資產及償還即期稅項負債或同時變現資產及償還負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(p) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to Mr. Loh Swee Keong, the director of the Group (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. 重大會計政策概要 (續)

(p) 分部報告

經營分部及於財務報表內呈報的各分部項目金額自定期提供予本集團董事Loh Swee Keong先生(首席經營決策人)就資源分配及評估本集團的各項業務及地理位置的表現的財務資料中識別出來。

個別而言屬於重大的經營分部不會在財務報告中予以總計，除非這些分部擁有相若的經濟特性，而且其產品和服務性質、生產流程性質、客戶的類型或類別、用以分銷產品或提供服務的方法以及監管環境的性質均相若。如果個別而言並非屬於重大的經營分部擁有以上大部分特徵可能匯總成一分部列示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually.

The Group uses simplified approach in calculating allowance of ECL for trade receivables by applying an ECL rate. The ECL rate is determined based on the management's assessment on the individual customer's credit risk grading dependent on the customer's financial performance, adjusted for factors that are specific to the debtors, general economic conditions at the reporting date and forward-looking information that is reasonable and supportable without undue cost or effort, including time value of money where appropriate. At each reporting date, the ECL rate is remeasured.

4. 估計不確定因素的主要來源

於應用本集團會計政策（於附註3載述）時，本公司董事須就並非顯然從其他來源得到的資產及負債賬面值作出判斷、估計及假設。估計及相關假設按照過往經驗及其他視為相關的因素作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。如修訂僅影響該期間，則會計估計修訂會於估計作出修訂的期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

以下為有關未來的主要假設，及於各報告期末的估計不確定因素其他主要來源，其重大風險為會對未來12個月內的資產及負債賬面值構成重大調整。

貿易應收款項的預期信貸虧損撥備

會對出現重大結餘及信貸減值的貿易應收款項單獨評估預期信貸虧損。

本集團通過應用一個預期信貸虧損比率，使用簡化方法計算貿易應收款項的預期信貸虧損撥備。該預期信貸虧損比率乃根據管理層對個別客戶信貸風險等級的評估而釐定，其取決於客戶的財務表現、就債務人特定的因素進行調整、於報告日期的整體經濟狀況及毋須花費不必要成本或努力即可獲得合理且有依據的前瞻性資料作出調整，包括金錢的時間價值（如合適）。於各報告日期，預期信貸虧損比率重新計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(a) Disaggregation of revenue from contracts with customers under IFRS 15:

5. 收入及分部資料

(a) 國際財務報告準則第15號項下客戶合約收入之分類：

		Year ended 31 May 2024 截至2024年 5月31日 止年度 Total 總計 RM'000 千令吉	Year ended 31 May 2023 截至2023年 5月31日 止年度 Total 總計 RM'000 千令吉
Manufacturing and trading:	製造及貿易：		
Sales of manufactured goods	製成品銷售	29,287	24,374
Other building materials and services:	其他建築材料及服務：		
Sales of building materials	建築材料銷售	1,394	1,338
Sourcing services	採購服務	–	12
Sales of health supplement products	銷售保健產品	–	4,577
Total	總計	30,681	30,301
Geographical market:	地區市場：		
Malaysia	馬來西亞	30,681	25,712
China – Hong Kong	中國 – 香港	–	4,589
Total	總計	30,681	30,301
Timing of revenue recognition	收入確認時間		
At point in time	按時間點	30,681	30,301

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(a) Disaggregation of revenue from contracts with customers under IFRS

15: (Continued)

Sales of manufactured goods and building materials

Revenue from sales of manufactured goods and building materials is recognised at a point in time when the manufactured goods and building materials are transferred to customers, being at the point that the customer obtains the control of the manufactured goods and building materials; and the Group has present right to payment and collection of the consideration is probable.

Sourcing services

The Group acts as an agent when its performance obligation is to arrange for provision of specified materials by another party to customer. The Group does not control the specified materials. Therefore, the Group recognises revenue in the amount of commission to which it expects to be entitled in exchange for arranging for the specified materials to be provided by the other party.

Sales of health supplement products

Revenue from sales of health supplement products is recognised at a point in time when the health supplement products are transferred to customers, being at the point that the customers obtains the control of the health supplement products and the Group has present right to payment and collection of the consideration is probable.

(b) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group has applied practical expedient in IFRS 15: paragraph 121 (a) and (b) to not disclose the transaction price allocated to the remaining performance obligations which are part of contracts that have original expected duration of one year or less.

5. 收入及分部資料 (續)

(a) 國際財務報告準則第15號項下客戶合約收入之分類：

(續)

製成品及建築材料銷售

製成品及建築材料的銷售收入於製成品及建築材料轉交予客戶的時間點確認，即客戶獲得製成品及建築材料的控制權；及本集團現時有權支付代價，且代價可收回。

採購服務

當履約義務為安排另一方向客戶提供指定材料時，本集團作為代理人。本集團並無控制指定物料。因此，本集團確認收入為其預期有權獲得的佣金，以換取安排另一方提供的指定材料。

銷售保健產品

保健產品的銷售收入於保健產品轉交予客戶的時間點確認，即客戶獲得保健產品的控制權以及本集團現時有權支付代價，且代價可收回。

(b) 分配至與客戶合約的剩餘履約義務之交易價格

本集團已採用國際財務報告準則第15號實際權宜之計：第121(a)及(b)段以不披露分配至剩餘履約義務的交易價格，而該等履約義務屬於原始預期期限為一年或以下的合約的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment

Information reported to Mr. Loh Swee Keong, the director of the Group, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance is based on the following reportable and operating segments identified under IFRS 8 Operating Segments:

- (a) Manufacturing and trading – manufacturing and trading of precast concrete junction boxes;
- (b) Other building materials and services – trading of accessories and pipes and provision of mobile crane rental and ancillary services;
- (c) Sourcing services – provision of sourcing services; and
- (d) Sales of health supplement products - sourcing and sales of health supplement products.

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group commenced the sales of health supplement products during the year ended 31 May 2023 and thus one new segment is resulted and included in the segment reporting.

5. 收入及分部資料 (續)

(c) 經營分部

就資源分配及分部表現評估目的而向本集團董事Loh Swee Keong先生(即首席經營決策人(「首席經營決策人」))匯報的資料，乃按下列根據國際財務報告準則第8號經營分部識別的可報告及經營分部作出：

- (a) 製造及貿易 — 預製混凝土接線盒的製造及貿易；
- (b) 其他建築材料及服務 — 配件及管道貿易以及提供移動式起重機租賃及配套服務；
- (c) 採購服務 — 提供採購服務；及
- (d) 銷售保健產品 — 採購及銷售保健產品。

於達致本集團的可報告分部時，並無匯集計算由首席經營決策人識別的經營分部。

本集團於截至2023年5月31日止年度開始銷售保健產品，因而產生一個新分部，並已納入分部報告。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued) Segment revenues and results For the year ended 31 May 2024

5. 收入及分部資料 (續)

(c) 經營分部 (續) 分部收入及業績 截至2024年5月31日止年度

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入			
External sales	外部銷售	29,287	1,394	30,681
Inter-segment sales	分部間銷售	–	–	–
Segment revenue	分部收入	29,287	1,394	30,681
Elimination	抵銷			–
Group revenue	集團收入			30,681
Segment result	分部業績	8,245	314	8,559
Allowance for credit loss	信貸虧損撥備			(870)
Administrative expenses	行政開支			(5,977)
Selling and distribution expenses	銷售及分銷開支			(1,356)
Finance costs	融資成本			(133)
Other income	其他收入			963
Share of results of an associate	分佔一間聯營 公司業績			61
Profit before taxation	除稅前溢利			1,247

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment revenues and results (Continued)

For the year ended 31 May 2023

5. 收入及分部資料 (續)

(c) 經營分部 (續)

分部收入及業績 (續)

截至2023年5月31日止年度

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Sourcing services 採購服務 RM'000 千令吉	Sales of health supplement products 銷售保健產品 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入					
External sales	外部銷售	24,374	1,338	12	4,577	30,301
Inter-segment sales	分部間銷售	-	-	-	-	-
Segment revenue	分部收入	24,374	1,338	12	4,577	30,301
Elimination	抵銷					-
Group revenue	集團收入					30,301
Segment result	分部業績	5,657	137	5	1,124	6,923
Allowance for credit loss	信貸虧損撥備					(1,530)
Administrative expenses	行政開支					(4,308)
Selling and distribution expenses	銷售及分銷開支					(1,231)
Finance costs	融資成本					(97)
Other income	其他收入					971
Share of results of an associate	分佔一間聯營 公司業績					90
Profit before taxation	除稅前溢利					818

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies as described in note 3. Segment results represents the profit from each segment without allocation of administrative expenses, selling and distribution expenses, finance costs, other income and taxation. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

As at 31 May 2024

5. 收入及分部資料 (續)

(c) 經營分部 (續)

分部收入及業績 (續)

經營分部的會計政策與附註3所述的本集團會計政策相同。分部業績乃指未分配行政開支、銷售及分銷開支、融資成本、其他收入及稅項前各分部的溢利。此為就資源分配及表現評估目的而報告予首席經營決策人的計量方法。

分部資產及負債

下文為按可報告及經營分部劃分的本集團資產及負債分析：

於2024年5月31日

		Manufacturing and trading	Other building materials and services	Sourcing services	Sale of health supplement products	Segment assets (liabilities)	Unallocated	Consolidated assets (liabilities)
		製造及貿易	其他建築 材料及服務	採購服務	銷售保健產品	分部資產 (負債)	未分配	綜合資產 (負債)
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉	千令吉	千令吉
Non-current assets	非流動資產	3,740	23	-	-	3,763	4,243	8,006
Current assets	流動資產	31,640	7,044	1,597	1,203	41,484	1,117	42,601
Non-current liabilities	非流動負債	(95)	-	-	-	(95)	-	(95)
Current liabilities	流動負債	(7,144)	(1,940)	(236)	(71)	(9,391)	(4,823)	(14,214)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued) Segment assets and liabilities

(Continued)

As at 31 May 2023

5. 收入及分部資料 (續)

(c) 經營分部 (續) 分部資產及負債 (續)

於2023年5月31日

		Manufacturing and trading	Other building materials and services 其他建築 材料及服務	Sourcing services 採購服務	Sale of health supplement products 銷售保健產品	Segment assets (liabilities) 分部資產 (負債)	Unallocated	Consolidated assets (liabilities) 綜合資產 (負債)
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Non-current assets	非流動資產	4,858	26	-	-	4,884	3,687	8,571
Current assets	流動資產	27,358	6,120	2,159	2,339	37,976	4,111	42,087
Non-current liabilities	非流動負債	(536)	-	-	-	(536)	(3,276)	(3,812)
Current liabilities	流動負債	(6,233)	(855)	(149)	(3,490)	(10,727)	(944)	(11,671)

All assets and liabilities are allocated to operating segments other than certain cash on hand and at bank, other payables, current and deferred tax assets and liabilities.

除若干手頭及銀行現金、其他應付款項、流動及遞延稅項資產及負債外，所有資產及負債分配至經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Other segment information

For the year ended 31 May 2024

5. 收入及分部資料 (續)

(c) 經營分部 (續)

其他分部資料

截至2024年5月31日止年度

	Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Sourcing services 採購服務 RM'000 千令吉	Unallocated 未分配 RM'000 千令吉	Total 總計 RM'000 千令吉
Amounts included in the measure of segment profit or loss or segment assets: Includes in the calculation of segment profit or loss or segment assets: Additions to non-current assets					
	560	-	-	-	560

For the year ended 31 May 2023

截至2023年5月31日止年度

	Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Sourcing services 採購服務 RM'000 千令吉	Unallocated 未分配 RM'000 千令吉	Total 總計 RM'000 千令吉
Amounts included in the measure of segment profit or loss or segment assets: Includes in the calculation of segment profit or loss or segment assets: Additions to non-current assets					
	420	-	-	-	420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Geographical information

The Group earns revenue from external customers in two main geographical areas:

- (i) Malaysia – manufacturing and trading; and other building material and services
- (ii) China – Hong Kong – sourcing services; and sales of health supplement products

Information about the Group's revenue from external customers is presented based on the location of the operations, as follows:

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Malaysia	馬來西亞	30,681	25,712
China – Hong Kong	中國 — 香港	–	4,589
		30,681	30,301

5. 收入及分部資料 (續)

(c) 經營分部 (續)

地區資料

本集團自兩個主要地區外部客戶賺取收入：

- (i) 馬來西亞 — 製造及貿易；及其他建築材料及服務
- (ii) 中國 — 香港 — 採購服務；及銷售保健產品

有關本集團來自外部客戶收入的資料乃按業務地點呈列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Other segment information (Continued)

Geographical information (Continued)

The following is an analysis of the carrying amount of segment assets, capital addition in respect of property, plant and equipment by the geographical areas in which the assets are located:

		Non-current assets 非流動資產	
		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Malaysia	馬來西亞	4,540	5,237
China – Hong Kong	中國 — 香港	3,466	3,334
		8,006	8,571

Information about major customers

No customers contribute over 10% of total revenue of the Group for the year ended 31 May 2024 (2023: two).

主要客戶資料

概無客戶為本集團截至2024年5月31日止年度的總銷售額貢獻逾10% (2023年：兩名)。

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Customer 客戶	Segment 分部		
Customer A	Sale of health supplement products	—	4,577
客戶甲	銷售保健產品		
Customer B	Manufacturing and trading	—	3,631
客戶乙	製造及貿易		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS

Details of the emoluments paid or payable to the Directors of the Company disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 May 2024

6. 董事酬金

根據香港公司條例第383(1)條及公司（披露董事利益資料）規例第2部所披露的已付或應付本公司董事的酬金詳情如下：

截至2024年5月31日止年度

		Executive Directors 執行董事		Independent Non-executive Directors 獨立非執行董事			Total 總計
		Mr. Loh Swee Keong Loh Swee Keong先生	Mr. Chu Kin Ming 朱健明先生	Mr. Yau Ka Hei 邱家禧先生	Mr. She Shing Albert Ma 馬希聖先生	Mr. Kwok Tsz Hin 郭子軒先生	
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Directors:	董事：						
Fees	袍金	715	20	45	45	17	842
Bonus	花紅	800	-	-	-	-	800
Other emoluments:	其他薪酬：						
Contributions to Employees Provident Fund ("EPF") (Note)	僱員公積金（「僱員公積金」） 供款（附註）	136	-	-	-	-	136
Total	總計	1,651	20	45	45	17	1,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS (Continued) For the year ended 31 May 2023

6. 董事酬金 (續) 截至2023年5月31日止年度

		Executive Directors 執行董事		Independent Non-executive Directors 獨立非執行董事		
		Mr. Loh Swee Keong Loh Swee Keong先生	Mr. Chu Kin Ming 朱健明先生	Mr. Yau Ka Hei 邱家禧先生	Mr. She Shing Albert Ma 馬希聖先生	Total 總計
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Directors:	董事：					
Fees	袍金	465	43	43	43	594
Other emoluments:	其他薪酬：					
Contributions to Employees Provident Fund ("EPF") (Note)	僱員公積金 (「僱員公積金」) 供款 (附註)	88	-	-	-	88
Total	總計	553	43	43	43	682

Note:

The Group is required by Malaysian law to make monthly contributions to the EPF, a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' applicable remuneration. Contributions are charged to profit or loss in the period in which they relate. The contributions to EPF are disclosed separately and the contributions to EPF are included in salaries, bonuses, allowances and other staff benefits. Once the contributions have been paid, the Group has no further payment obligations. No forfeited contribution is available to reduce the contribution payable in future year.

附註：

馬來西亞法例要求本集團按月向僱員公積金供款，其為根據僱員適用薪酬的若干訂明比率，為所有符合資格僱員提供法定界定供款的計劃。供款於相關期內的損益扣除。僱員公積金的供款為各別披露，而向僱員公積金作出的供款計入薪金、花紅、津貼及其他僱員福利。一旦作出供款，本集團概無進一步供款責任。於未來年度，概無可供扣減應付供款的已沒收供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS (Continued)

During the years ended 31 May 2023 and 2024, no emoluments were paid by the Group to the Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

No Directors' emoluments were waived during the years ended 31 May 2023 and 2024.

The Executive Directors' emoluments shown were mainly for their services in connection with the management of the affairs of the Group and of the Company. The Independent Non-executive Directors' emoluments were for their services as Directors of the Company.

7. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year included 1 (2023: 1) Director whose remuneration are set out in Note 6. The remuneration for the remaining 4 (2023: 4) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

6. 董事酬金 (續)

截至2023年及2024年5月31日止年度，本集團並無向本公司董事支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

截至2023年及2024年5月31日止年度，概無董事放棄酬金。

所列表的執行董事酬金乃主要為彼等就提供有關管理本集團及本公司事務的服務所得酬金。獨立非執行董事之酬金乃為彼等作為本公司董事所提供服務之所得酬金。

7. 五名最高薪酬個人

於本年度，本集團五名最高薪酬個人包括1名（2023年：1名）董事，有關薪酬詳情載於附註6。餘下4名（2023年：4名）最高薪酬僱員（非本公司董事或主要行政人員）的薪酬載列如下：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Salaries and allowances	薪金及津貼	707	959
Bonuses	花紅	115	20
Contributions to EPF	僱員公積金供款	109	156
		931	1,135

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7. FIVE HIGHEST PAID INDIVIDUALS (Continued)

The number of the highest paid individuals (other than the directors) whose remuneration fell within the following bands is as follows:

	2024 2024年	2023 2023年
Nil to HKD1,000,000 零港元至1,000,000港元	4	4

During the years ended 31 May 2023 and 2024, no emoluments were paid by the Group to the five highest paid employees of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

7. 五名最高薪酬個人 (續)

以下載列最高薪酬個人 (董事除外) (薪酬介乎以下範圍) 的人數：

截至2023年及2024年5月31日止年度，本集團並無向本公司五名最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

8. FINANCE COSTS

	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Interest expense on lease liabilities 租賃負債的利息開支	24	56
Commitment fees 承諾費	10	10
Interest expense on promissory note 承兌票據利息開支	99	31
	133	97

8. 融資成本

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/
(crediting):

9. 除稅前溢利

除稅前溢利扣除／(計入) 以下各項後達
致：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Auditors' remuneration	核數師薪酬		
– audit services	– 審核服務	535	492
Cost of inventories recognised as an expense	確認為開支的存貨成本	15,995	17,943
Staff costs, excluding directors' remuneration:	員工成本，不包括董事薪酬：		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	3,510	3,185
— Contributions to EPF	— 僱員公積金供款	281	239
		3,791	3,424
Short-term lease payments not included in the measurement of lease liabilities:	未計入計量租賃負債的短期租賃付款：		
Crane	起重機	42	24
Office equipment	辦公設備	8	9
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	685	638
Investment property	投資物業	4	4
Right-of-use assets	使用權資產	568	625
Allowance for credit losses, net:	信貸虧損撥備淨值：		
Trade receivables	貿易應收款項	438	1,438
Deposits paid	已付按金	432	92
		870	1,530
Rental income from investment property	投資物業的租金收入	(61)	(46)
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)／虧損	(136)	74
Unrealised losses on foreign exchange	未變現匯兌虧損	461	1,080
Interest income on:	以下各項之利息收入：		
Deposits at bank	銀行存款	(764)	(657)
Late payment from receivables	延遲支付應收款項	–	(170)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. TAXATION

10. 稅項

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Malaysia corporate income tax:	馬來西亞企業所得稅：		
Current year	本年度	1,099	797
Under-provision of income tax in prior year	過往年度所得稅撥備不足	76	–
		1,175	797
Hong Kong Profits Tax:	香港利得稅：		
Current year	本年度	–	1
Deferred tax (Note 23):	遞延稅項 (附註23)：	(36)	(68)
		1,139	730

Malaysia corporate income tax is calculated at the statutory tax rate of 24% (2023: 24%) on the estimated assessable profits for each of the assessable year.

馬來西亞企業所得稅就各應課稅年度的估計應課稅溢利按法定稅率24% (2023年：24%) 計算。

Hong Kong Profits Tax is calculated at a rate of 16.5% (2023:16.5%) of the estimated assessable profits for the year, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25%, and the remaining assessable profits are taxed at 16.5%. Such basis had been applied for the calculation of the provision for Hong Kong Profits Tax for this subsidiary for the year ended 31 May 2024.

香港利得稅乃根據年內之估計應課稅溢利按16.5% (2023年：16.5%) 之稅率計算，惟本集團一間附屬公司為利得稅兩級制下的合資格公司除外。就該附屬公司而言，首2,000,000港元的應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利則按16.5%的稅率徵稅。截至2024年5月31日止年度，該基準已應用於計算此附屬公司之香港利得稅撥備。

Hong Kong Profits Tax has not been provided for the years ended 31 May 2024 as there is no assessable profits for both years.

由於截至2024年5月31日止年度並無應課稅溢利，故並無就該兩個年度計提香港利得稅撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. TAXATION (Continued)

The taxation for the year can be reconciled to the profit before taxation as follows:

10. 稅項 (續)

年度稅項與除稅前溢利的對賬如下：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Profit before taxation	除稅前溢利	1,247	818
Statutory tax rate	法定稅率	24%	24%
Taxation at applicable statutory tax rate	按適用法定稅率計算的稅項	300	196
Tax effects of:	以下各項的稅務影響：		
Expenses not deductible for tax purpose	不可扣稅開支	234	388
Income not taxable for tax purpose	毋須課稅收入	(283)	(739)
Tax effect of share of profits of associates	分佔聯營公司溢利的稅務影響	(10)	(14)
Effect of different tax rate of entities operating in other jurisdictions	於其他司法權區經營的實體的不同稅率影響	273	90
Under-provision of income tax in prior year	過往年度所得稅撥備不足	76	—
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	549	809
Taxation for the year	年度稅項	1,139	730

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

		2024 2024年	2023 2023年
Earnings	盈利		
Profit for the year attributable to the owners of the Company (RM'000)	本公司擁有人應佔年內溢利 (千令吉)	108	88
Number of shares	股份數目		(Restated) (經重列)
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	13,575,591	12,172,655
Basic earnings per share (RM cent)	每股基本盈利 (仙令吉)	0.80	0.72

The weighted average number of ordinary shares for the purposes of basic earnings per share for both years presented has been adjusted for the share consolidation effected on 6 August 2024.

Diluted earnings per share information equals basic earnings per share for the years ended 31 May 2023 and 2024 as there were no potential ordinary shares outstanding during both years.

12. DIVIDENDS

The directors of the Company do not recommend the payment of dividend for the years ended 31 May 2023 and 2024.

11. 每股盈利

每股基本盈利乃根據下列數據計算：

所呈列計算兩個年度之每股基本盈利所使用之普通股加權平均數已就於2024年8月6日生效之股份合併作出調整。

由於截至2023年及2024年5月31日止年度均無流通在外潛在普通股，故該兩個年度之每股攤薄盈利的資料等於每股基本盈利。

12. 股息

本公司董事不建議派付截至2023年及2024年5月31日止年度的股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold land and building 租賃土地 及樓宇 RM'000 千令吉	Plant and machinery 廠房及機械 RM'000 千令吉	Motor vehicles 汽車 RM'000 千令吉	Renovation 裝修 RM'000 千令吉	Mould 模具 RM'000 千令吉	Factory 工廠 RM'000 千令吉	Office equipment 辦公設備 RM'000 千令吉	Computer software 電腦軟件 RM'000 千令吉	Total 總計 RM'000 千令吉
Carrying value	賬面值									
At 1 June 2022	於2022年6月1日	245	3,162	2,368	653	2,211	250	1,115	19	10,023
Additions	添置	-	1	270	-	-	-	26	-	297
Disposal	出售	-	(165)	(304)	-	-	-	-	-	(469)
At 31 May 2023	於2023年5月31日	245	2,998	2,334	653	2,211	250	1,141	19	9,851
At 1 June 2023	於2023年6月1日	245	2,998	2,334	653	2,211	250	1,141	19	9,851
Additions	添置	-	35	495	-	9	-	21	-	560
Disposal	出售	-	-	-	-	-	-	(271)	-	(271)
At 31 May 2024	於2024年5月31日	245	3,033	2,829	653	2,220	250	891	19	10,140
Accumulated depreciation	累計折舊									
At 1 June 2022	於2022年6月1日	102	2,195	1,075	452	878	197	744	19	5,662
Depreciation for the year	年內折舊	5	144	233	23	196	14	23	-	638
Disposal	出售	-	(165)	(173)	-	-	-	-	-	(338)
At 31 May 2023	於2023年5月31日	107	2,174	1,135	475	1,074	211	767	19	5,962
At 1 June 2023	於2023年6月1日	107	2,174	1,135	475	1,074	211	767	19	5,962
Depreciation for the year	年內折舊	5	166	223	36	196	10	49	-	685
Disposal	出售	-	-	-	-	-	-	(270)	-	(270)
At 31 May 2024	於2024年5月31日	112	2,340	1,358	511	1,270	221	546	19	6,377
Carrying value	賬面值									
At 31 May 2024	於2024年5月31日	133	693	1,471	142	950	29	345	-	3,763
At 31 May 2023	於2023年5月31日	138	824	1,199	178	1,137	39	374	-	3,889

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straightline basis at the following rates per annum:

Leasehold land and building	2%
Plant and machinery	10%
Motor vehicles	10%
Renovation	Over the remaining lease term – 20%
Mould	10%
Factory	10%
Office equipment	10%
Computer software	20%

The Group has pledged leasehold land and building with a carrying value of approximately RM133,000 (2023: RM138,000) to secure general banking facilities granted to the Group as disclosed in note 30.

14. RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

13. 物業、廠房及設備 (續)

上述物業、廠房及設備項目（在建工程除外）以直線法按以下年率折舊：

租賃土地及樓宇	2%
廠房及機械	10%
汽車	10%
裝修	按剩餘租期計算 – 20%
模具	10%
工廠	10%
辦公設備	10%
電腦軟件	20%

本集團已質押賬面值約133,000令吉（2023年：138,000令吉）的租賃土地及樓宇，作為本集團所獲授的一般銀行融資的抵押（如附註30所披露）。

14. 使用權資產

按相關資產類別劃分的使用權資產之賬面淨值分析如下：

		Notes	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
		附註		
Ownership interests in leasehold land held for own use, carried at depreciated cost	作自用的租賃土地的所有權權益，按折舊成本列賬	(i)	74	77
Plant, machinery and equipment, carried at depreciated cost	物業、廠房及設備，按折舊成本列賬	(ii)	354	918
			428	995

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. RIGHT-OF-USE ASSETS (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

14. 使用權資產 (續)

有關於損益確認的租賃之開支項目分析如下：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產折舊開支：		
Ownership interests in leasehold land held for own use	持作自用的租賃土地的所有權權益	2	1
Plant, machinery and equipment	物業、廠房及設備	566	624
		568	625
Interest on lease liabilities (Note 8)	租賃負債利息 (附註8)	24	56
Expense relating to short-term leases	短租賃有關之開支	50	33

During the year, no additions to right-of-use assets (2023: approximately RM123,000). This amount related to the capitalised lease payments payable under new tenancy agreements.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The maturity analysis of lease liabilities is set out in note 22.

於年內，並無使用權資產添置 (2023年：約123,000令吉)。該金額與新租購協議項下應付資本化租賃款項有關。

除出租人持有的租賃資產的擔保權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款的抵押品。

有關租賃負債的到期情況分析載於附註22。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. RIGHT-OF-USE ASSETS (Continued)

Notes:

- (i) Ownership interests in leasehold land held for own use

The Group holds land for its manufacturing and trading and other building materials and services business, where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

- (ii) Other leases

The Group leases production factory, machinery and office under leases expiring from 2 to 3 years. Some leases include an option to renew the lease when all terms are renegotiated. None of the leases includes variable lease payments.

14. 使用權資產 (續)

附註：

- (i) 持作自用的租賃土地的所有權權益

本集團持有作為生產及貿易及其他建築材料及服務業務用途的土地，其製造設施主要位於該等樓宇。本集團為該等物業權益（包括相關土地的全部或部分不可分割份額）的登記擁有人。本集團已預先支付一筆過款項，以向其前登記擁有人收購該等物業權益，且除了根據相關政府機構設定應課租值的差餉外，沒有需要按照土地租賃條款下長期持續付款。該款項會跟隨當時市況進行調整，並支付給相關政府部門。

- (ii) 其他租賃

本集團按照租期介乎2至3年租賃生產廠房、機械及辦公。部分租賃包括在所有條款重新協商的情況下重續租賃的選擇權。租賃概不包括可變租賃付款。

15. INVESTMENT PROPERTY

15. 投資物業

		RM'000 千令吉
Cost	成本	
At 1 June 2022, 31 May 2023, 1 June 2023 and 31 May 2024	於2022年6月1日、2023年5月31日、 2023年6月1日及2024年5月31日	450
Accumulated depreciation	累計折舊	
At 1 June 2022	於2022年6月1日	93
Charge for the year	年內扣除	4
At 31 May 2023 and 1 June 2023	於2023年5月31日及2023年6月1日	97
Charge for the year	年內扣除	4
At 31 May 2024	於2024年5月31日	101
Carrying value	賬面值	
At 31 May 2024	於2024年5月31日	349
At 31 May 2023	於2023年5月31日	353

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. INVESTMENT PROPERTY (Continued)

The investment property, comprising of a freehold land and building in Malaysia, is depreciated on a straight-line basis over 50 years.

Rental income earned by the Group from the investment property which is leased out under operating leases, amounted to approximately RM33,000 for the year ended 31 May 2024 (2023: RM46,000). Direct operating expenses incurred in respect of the investment property amounted to approximately RM2,000 and RM2,000 for the years ended 31 May 2023 and 2024 respectively.

The fair values of the Group's investment property were estimated by the directors at RM900,000 and RM769,000 at 31 May 2023 and 2024 respectively based on the valuation report on the investment property in prior year and were updated to reflect recent transactions involving similar properties in the vicinity, using the direct comparison approach. The fair value is a Level 3 fair value estimation. In estimating the fair value of the property, the highest and best use of the property is its current use. The operating leases do not transfer the ownership of the underlying asset to the lessee by end of lease term, and there is no option to purchase the asset. The lessor manages the risk associated with any rights it retains in underlying assets. Its risk management strategy for these rights includes various means to reduce risk such as exercising inspection rights subsequent to reasonable notice and purchasing fire insurance.

15. 投資物業 (續)

投資物業（包括馬來西亞永久業權土地及樓宇）乃以直線法按50年計算折舊。

截至2024年5月31日止年度，本集團自投資物業（根據經營租賃出租）賺取的租金收入約為33,000令吉（2023年：46,000令吉）。截至2023年及2024年5月31日止年度，就投資物業產生的直接經營開支分別約為2,000令吉及2,000令吉。

於2023年及2024年5月31日，由董事所估計本集團的投資物業公平值分別為900,000令吉及769,000令吉，乃根據去年投資物業的估值報告並通過採用直接比較法更新以反映近期涉及於鄰近地區類似物業的交易得出。估值為第三級公平值估算。於估計物業公平值時，物業的最高及最佳用途是指其現行用途。經營租賃在租賃期結束時不會將標的資產的所有權轉移給承租人，亦無購買該資產的選擇權。出租人管理其保留於相關資產中的任何權利所涉及的風險。其對權利的風險管理策略包括減少該風險的各種方法，如在合理通知後行使檢查權及購買火險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

16. INVESTMENT IN AN ASSOCIATE

16. 於聯營公司的投資

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Cost of investment in an associate	於聯營公司的投資成本	3,244	3,244
Share of post-acquisition profits and other comprehensive income	分佔收購後溢利及其他全面收益	151	90
Exchange adjustments	匯兌調整	71	-
		3,466	3,334

Name of associate	Place of establishment and principal place of operation 成立地點及主要營業地點	Fully paid-up share capital and number of shares 繳足股本及股份數目	Percentage of ownership interests heldby the Group 本集團所持擁有權權益百分比		Principal activity 主要業務
			2024 2024年	2023 2023年	
China Coal Alliances Trading Company Limited 中國煤炭同盟貿易有限公司	Hong Kong 香港	HK\$17,000,000 divided into 17,000,000 shares 17,000,000港元，分為17,000,000股股份	32%	32%	Trading of building material 建築材料貿易

Summarised financial information of material associate

Summarised financial information in respect of the Group’s material associate is set out below. The summarised financial information below represents amounts shown in the associate’s financial statements prepared in accordance with IFRSs.

The associate is accounted for using the equity method in the consolidated financial statements.

重大聯營公司財務資料概要

本集團重大聯營公司之財務資料概要載列如下。以下財務資料概要呈列聯營公司根據國際財務報告準則編製之財務報表所示之金額。

該聯營公司使用權益法於綜合財務報表內入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16. INVESTMENT IN AN ASSOCIATE (Continued)

Summarised financial information of material associate (Continued)

China Coal Alliances Trading Company Limited

16. 於聯營公司的投資 (續)

重大聯營公司財務資料概要 (續)

中國煤炭同盟貿易有限公司

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Current assets	流動資產	3,310	2,983
Current liabilities	流動負債	222	147
Net assets	淨資產	3,088	2,836
Group's share of net assets	本集團應佔資產淨值	988	908
Goodwill	商譽	2,426	2,426
Exchange adjustment	匯兌調整	52	—
Carrying amount of the Group's interests	本集團權益賬面值	3,466	3,334

		2024 2024年 RM'000 千令吉	Period ended from 1/2/2023 to 31/5/2023 (date of acquisition) 截至 2023年2月1日至 2023年5月31日 (收購日期) 止期間 RM'000 千令吉
Revenue	收入	1,967	2,180
Profit for the period	期內溢利	190	281
Total comprehensive income for the period	期內全面收入總額	190	281

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INVENTORIES

17. 存貨

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
At cost:	按成本：		
Raw materials and consumables	原材料及消耗品	883	826
Finished goods	製成品	917	1,178
		1,800	2,004

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

已確認為開支並計入損益的存貨金額分析如下：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Carrying amount of inventories sold	已售存貨的賬面值	15,995	17,943

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. RECEIVABLES, DEPOSITS AND PREPAYMENTS

18. 應收款項、按金及預付款

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Trade receivables	貿易應收款項	14,765	14,879
Less: Allowance for credit losses	減：信貸虧損撥備	(6,181)	(5,662)
		8,584	9,217
Other receivables and deposits	其他應收款項及按金	4,455	3,251
Less: Allowance for credit losses	減：信貸虧損撥備	(1,271)	(839)
Prepayments	預付款	717	234
		12,485	11,863

The amounts due from trade debtors are unsecured, do not carry any interest and the credit term granted by the Group ranges from 30 to 120 days.

應收貿易賬款無抵押且不計息，而本集團所授予的信貸期介乎30至120日。

The following is an aging analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date:

以下為根據發票日期呈列的貿易應收款項（扣除信貸虧損撥備）賬齡分析：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
1-30 days	1至30日	3,694	2,485
31-60 days	31至60日	1,051	977
61-90 days	61至90日	492	657
91-120 days	91至120日	414	138
More than 120 days	120日以上	2,933	4,960
		8,584	9,217

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 28(b).

本集團貿易應收款項產生的信貸政策及信貸風險的進一步詳情載於附註28(b)。

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綜合財務報表附註

19. AMOUNTS DUE FROM ULTIMATE HOLDING COMPANY AND A SHAREHOLDER

The amount due from ultimate holding company is non-trade nature, unsecured, interest free and repayable on demand.

The amount due from a shareholder is non-trade nature, unsecured, interest free and repayable on demand. The maximum amount outstanding during the financial year is approximately RM35,000 (2023: RM12,000).

19. 應收最終控股公司及股東款項

應收最終控股公司款項為非貿易性質、無抵押、免息及須按要求償還。

應收股東款項為非貿易性質、無抵押、免息及須按要求償還。於財政年度之最高未償還金額約為35,000令吉（2023年：12,000令吉）。

20. SHORT-TERM BANK DEPOSITS, CASH AND BANK BALANCES

20. 短期銀行存款、現金及銀行結餘

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Current:	即期：		
Short-term bank deposits	短期銀行存款	21,089	21,247
Cash and bank balances	現金及銀行結餘	7,142	6,828
Total	總計	28,231	28,075
Less: Deposits pledged as security	減：已質押作擔保之存款	(212)	(1,127)
Cash and cash equivalents	現金及現金等價物	28,019	26,948

Short-term bank deposits of the Group have an average maturity ranging from 1 to 3 months. Bank balances are deposits held at with licensed banks.

本集團短期銀行存款的平均到期日介乎1至3個月。銀行結餘為於持牌銀行的存款。

The average interest rates of deposits of the Group are ranging from 2.30% to 3.81% (2023: 1.75% to 3.80%) per annum. Included in the short-term bank deposits are amounts totaling approximately RM212,000 (2023: RM1,127,000) that have been pledged to secure general banking facilities granted to the Group as disclosed in note 30.

本集團存款的平均年利率介乎2.30%至3.81%(2023年：1.75%至3.80%)。短期銀行存款包括總額約為212,000令吉(2023年：1,127,000令吉)的已質押金額，以為授予本集團的一般銀行融資提供擔保(如附註30所披露)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21. PAYABLES AND ACCRUED CHARGES

21. 應付款項及應計費用

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Trade payables	貿易應付款項	2,818	6,767
Accrued charges	應計費用	4,698	3,189
Other payables	其他應付款項	1,485	286
Contract liabilities	合約負債	1,144	791
		10,145	11,033

The following is an aging analysis of trade payables presented based on the invoice date:

貿易應付款項按發票日期呈列的賬齡分析如下：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
1-30 days	1至30日	1,071	1,229
31-60 days	31至60日	899	894
61-90 days	61至90日	734	949
91-120 days	91至120日	112	214
Over 120 days	120日以上	2	3,481
		2,818	6,767

The average credit period on purchases of goods is 30 to 75 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購貨的平均信貸期為30至75日。本集團設有財務風險管理政策以確保所有應付款項均在信貸期限內結清。

Contract liabilities arise if a particular payment exceeds the revenue recognised to date.

合約負債於特定付款超過截至現時已確認收入時產生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21. PAYABLES AND ACCRUED CHARGES

(Continued)

The Group classifies contract liabilities as current because the Group expected to settle them in its normal operating cycle.

Revenue from manufacturing and trading recognised during the year ended 31 May 2024 that was included in the contract liabilities at the beginning of the year was amounted to RM791,000 (2023: RM671,000).

22. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period.

21. 應付款項及應計費用 (續)

本集團將合約負債分類為流動，原因為本集團預期在其正常經營週期內結算合約負債。

計入年初合約負債的於截至2024年5月31日止年度確認的製造及貿易收入為791,000令吉 (2023年：671,000令吉)。

22. 租賃負債

下表顯示本集團於報告期末的租賃負債的餘下合約期限的到期情況。

		Present value of minimum lease payments 最低租賃款項之現值	
		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	405	625
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	—	405
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期應付 款項 (於流動負債 下列示)	405 (405)	1,030 (625)
Amount due for settlement after 12 months (shown under non-current liabilities)	12個月後到期應付款項 (於非流動負債下列示)	—	405

The weighted average incremental borrowing rates applied to lease liabilities at 3.49% (2023: 3.49%).

應用於租賃負債的加權平均增量借款利率為3.49% (2023年：3.49%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Deferred tax liabilities	遞延稅項負債	95	131

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
At beginning of year	於年初	131	199
Charged to profit or loss (Note 10)	自損益扣除 (附註10)	(36)	(68)
At end of year	於年末	95	131

The deferred tax liabilities mainly represent the tax effect of taxable temporary differences arising from accelerated tax depreciation of property, plant and equipment.

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31 May 2024, the Group did not recognise deferred income tax asset in respect of tax losses amounting to approximately RM3,325,000 (2023: RM4,905,000) that can be carried forward to offset against future taxable profits. Losses may be carried forward indefinitely.

23. 遞延稅項

倘有合法執行權利可將即期稅項資產對銷即期稅項負債以及倘遞延稅項與同一稅務機關相關，則遞延稅項資產及負債予以對銷。以下數額乃經恰當對銷後釐定，列示於綜合財務狀況表：

遞延稅項負債主要指物業、廠房及設備加速稅項折舊的稅務影響應課稅暫時性差額。

尚可通過未來應課稅溢利變現相關稅收優惠，則就結轉稅項虧損確認遞延稅項資產。於2024年5月31日，本集團並無就可予結轉以抵銷未來應課稅溢利之稅務虧損約3,325,000令吉（2023年：4,905,000令吉）確認遞延所得稅資產。虧損可無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24. PROMISSORY NOTE

24. 承兌票據

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
The carrying amount of the promissory note payables are repayable:	應付承兌票據之賬面值須於以下期間償還：		
– Amount due for settlement within (2023: after) 12 months shown under current (2023: non-current) liabilities	– 流動（2023年：非流動）負債項下所示於12個月內（2023年：後）到期結算的款項	3,446	3,276
Movements in promissory note payable are as following:	應付承兌票據變動如下：		
Balance at beginning of the year	年初結餘	3,276	–
Settlement of the acquisition cost of an associate by the issue of promissory note	透過發行承兌票據結算一間聯營公司之收購成本	–	3,244
Interest payable	應付利息	99	32
Exchange difference	匯兌差額	71	–
Balance at end of the year	年末結餘	3,446	3,276

On 17 January 2023, a promissory note was issued with a principal amount of HK\$5,500,000 (equivalent to approximately RM3,244,000). The promissory note bears a fixed interest rate of 3% per annum and will be matured two years from the date of issue.

於2023年1月17日，本金額為5,500,000港元（相當於約3,244,000令吉）的承兌票據已發行。該承兌票據按固定年利率3%計息，並將於發行日期起計兩年後到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. SHARE CAPITAL

25. 股本

	Note	Number of shares 股份數目 '000 千股	Par value 每股面值 HK\$ 港元	Share capital 股本 HK\$'000 千港元	RM'000 千令吉
Authorised:	法定：				
At 1 June 2022,	於2022年6月1日、				
31 May 2023,	2023年5月31日、				
1 June 2023 and	2023年6月1日及				
31 May 2024	2024年5月31日	1,250,000	0.08	100,000	
Issued and fully paid:	已發行及繳足：				
At 1 June 2022	於2022年6月1日	103,230	0.08	8,258	4,501
Placing	配售事項 (a)	20,646	0.08	1,652	937
At 31 May 2023 and	於2023年5月31日及				
1 June 2023	2023年6月1日	123,876	0.08	9,910	5,438
Issue of subscription	透過新配發普通股發行				
shares by newly	認購股份				
allotted ordinary shares	(b)	12,388	0.08	991	590
At 31 May 2024	於2024年5月31日	136,264	0.08	10,901	6,028

Notes:

- (a) On 8 July 2022, an aggregate of 20,646,000 shares have been successfully placed to not less than six placees at HK\$0.151 per share pursuant to the terms and conditions of the placing agreement.
- (b) On 7 June 2023 (after trading hours), the Company entered into the subscription agreement with the subscriber. The Company allotted and issued subscription shares comprising 12,387,600 ordinary shares of HK\$0.082 each on 16 June 2023. The gross proceeds were HK\$1,015,000 (equivalent to approximately RM605,000), of which a sum of HK\$991,000 (equivalent to approximately RM590,000) was credited to share capital and the balance of HK\$24,000 (equivalent to approximately RM15,000) was credited to share premium account.

附註：

- (a) 於2022年7月8日，合共20,646,000股股份已根據配售協議之條款及條件按每股股份0.151港元成功配售予不少於六名承配人。
- (b) 於2023年6月7日（交易時段後），本公司與認購人訂立認購協議。於2023年6月16日，本公司配發及發行包含12,387,600股每股0.082港元之普通股的認購股份。所得款項總額為1,015,000港元（相當於約605,000令吉），其中合共991,000港元（相當於約590,000令吉）已計入股本，餘額24,000港元（相當於約15,000令吉）已計入股份溢價賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. SHARE CAPITAL (Continued)

All ordinary shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

Pursuant to the written resolutions passed by the shareholders of the Company on 27 June 2017, the Company has conditionally adopted a share option scheme.

The share option scheme will be valid and effective for a period of ten years from the date of the adoption of the scheme by equity settlement. The maximum number of shares in respect of which options may be granted under the share option scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the date of the shares of the Company listed on the GEM. The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other share option scheme of the Company at any time shall not exceed 30% of the shares in issue from time to time.

No option was granted as at the date of this report.

25. 股本 (續)

所有於年內發行的普通股與當時現有的普通股在各方面享有同等地位。

根據本公司股東於2017年6月27日通過的書面決議案，本公司已有條件採納一項購股權計劃。

購股權計劃將自採納計劃當日起計十年期間內有效及生效，並以權益結算。根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限合共不得超過本公司股份於GEM上市當日已發行股份總數的10%。根據購股權計劃及本公司任何其他購股權計劃已授出但尚未行使的所有尚未行使購股權獲行使時可予發行之股份數目，於任何時間均不得超過不時已發行股份的30%。

於本報告日期，概無授出任何購股權。

26. RESERVES

(a) SHARE PREMIUM

26. 儲備

(a) 股份溢價

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
At beginning of year	年初	28,059	27,228
Issue of subscription shares by newly allotted ordinary shares (Note 25)	透過新配發普通股發行認購股份 (附註25)	15	831
At end of year	年末	28,074	28,059

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. RESERVES (Continued)

(b) OTHER RESERVE

The other reserve at 31 May 2023 and 2024 represented the aggregate amount of the fully paid registered or paid-in capital of Target Precast Industries Sdn Bhd, Target Sales & Marketing Sdn Bhd, Target Crane & Logistic Sdn Bhd, Gallant Empire Limited, SK Target Holdings Sdn Bhd and Loyal Earn Limited.

(c) TRANSLATION RESERVE

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

27. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of equity balance. Equity balance consists of equity attributable to owners of the Company, comprising share capital and accumulated loss.

The management of the Group reviews the capital structure on an on-going annual basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management of the Group, the Group will balance its overall capital structure through the payment of dividends as well as the issue of new debt and repayment of debt.

The only externally imposed capital requirement for the Group is that it must have a public float of at least 25% of the shares in order to maintain its listing on the Stock Exchange.

26. 儲備 (續)

(b) 其他儲備

於2023年及2024年5月31日的其他儲備指Target Precast Industries Sdn Bhd、Target Sales & Marketing Sdn Bhd、Target Crane & Logistic Sdn Bhd、Gallant Empire Limited、SK Target Holdings Sdn Bhd及Loyal Earn Limited的繳足註冊或實收資本總額。

(c) 匯兌儲備

匯兌儲備用於記錄換算功能貨幣不同於本集團呈列貨幣的外國業務的財務報表產生的匯兌差額。

27. 資本風險管理

本集團管理其資本以確保本集團各實體可持續經營，並透過優化債務及股權餘額為利益相關者帶來最大回報。年內，本集團整體策略保持不變。

本集團的資本架構由股權餘額組成。股權餘額包括本公司擁有人的應佔股權，包含股本及累計虧損。

本集團管理層一直按年審視資本架構。作為審視的一部分，本集團管理層考慮資本成本及各類資本相關風險。根據本集團管理層的建議，本集團將通過派付股息以及發行新債務及償還債務平衡其整體資本架構。

本集團唯一外部施加的資本要求為其必須擁有至少25%股份的公眾持股量，以維持其於聯交所的上市地位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Financial assets	金融資產		
Amortised cost	攤銷成本	40,074	39,760
Financial liabilities	金融負債		
Amortised cost	攤銷成本	12,440	15,339

(b) Financial risk management objectives and policies

The Group's major financial instruments and details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to the Group's bank balances and fair value interest rate risk in relation to fixed rate lease liabilities, short-term bank deposits and promissory note.

The Group currently does not have an interest rate hedging policy. However, management closely monitors its exposure to future cash flow interest rate risk as a result of changes in market interest rates and will consider hedging changes in market interest rates should the need arise.

28. 金融工具

(a) 金融工具類別

(b) 財務風險管理目標及政策

本集團的主要金融工具及該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險及如何減低該等風險的政策載列如下。

市場風險

利率風險

本集團面對與本集團銀行結餘相關的現金流利率風險及與固定利率租賃負債、短期銀行存款及承兌票據相關的公平值利率風險。

本集團現時並無利率對沖政策。然而，管理層密切監察因市場利率變動而引致其面對未來現金流利率的風險，並將於有需要時考慮對沖市場利率變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

Lease liabilities which are fixed rate instruments are insensitive to any change in interest rates. A change in interest rate at the end of the reporting period would not affect profit or loss.

Sensitivity analysis

No sensitivity analysis is provided on bank balances as the management of the Company considers that the interest rate fluctuation on bank are minimal and the impact from the exposure to interest rate risk sensitivity is considered insignificant.

Currency risk

The Group has certain bank balances denominated in HKD other than the functional currency of respective group entities, which expose the Group to foreign currency risk.

The Group manages the risk by closely monitoring the movement of the foreign currency rate.

If the respective currency of the cash and bank balances had strengthened/weakened 5% against Malaysian Ringgit at 31 May 2024, the post-tax profit of the Group for the year would have decreased/increased by:

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

固定利率工具之租賃負債對利率的任何變動並不敏感。於報告期末，利率變動將不會影響損益。

敏感度分析

概無就銀行結餘提供敏感度分析，原因為本公司管理層認為銀行的利率波動微不足道，且就面對利率風險的敏感度而言，影響被視為並不重大。

貨幣風險

除各集團實體功能貨幣外，本集團若干銀行結餘以港元計值，從而使本集團面臨外幣風險。

本集團通過密切監控外匯匯率變動管理該風險。

倘現金及銀行結餘的各貨幣於2024年5月31日兌馬來西亞令吉升值／貶值5%，則本集團於年內的稅後溢利將減少／增加：

		The Group 本集團	
		2024 2024年	2023 2023年
		RM'000 千令吉	RM'000 千令吉
HKD	港元	113	165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

The Group's exposure to credit risk is primarily due to the collectability risk of the trade receivables. The length of the credit period granted by the Group will depend on the customers' scale of operation, reputation and credibility. The Group performs ongoing credit evaluation on the financial condition of trade debtors and tightly monitors the overdue debts. The Group will take the necessary follow up action in case of long outstanding debts or when the above credit evaluation results draw the attention of management.

At the end of each reporting period, the Group's maximum exposure to credit risk which might cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group is exposed to concentration of credit risk as at 31 May 2024 on trade receivables from the Group's five major customers amounting to approximately RM9,179,000 (2023: RM6,221,000) and accounted for 62% (2023: 42%) of the Group's total trade receivables. The major customers of the Group are reputable organisations. The directors closely monitor the subsequent settlement of the customers. In this regard, the directors consider that the Group's credit risk is significantly reduced.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估

本集團涉及的信貸風險主要是由於貿易應收款項的可收回風險所致。本集團所授予信貸期的期限將視乎客戶的營運規模、聲譽及信譽而定。本集團就貿易債務人的財務狀況進行持續的信貸評估，並緊密監察逾期債務。倘屬長期未償還債項或上述信貸評估結果需要管理層關注，本集團將採取必要的跟進行動。

於各報告期末，本集團因對手方未能履行責任可能造成本集團財務損失而面對的最高信貸風險，乃源自於綜合財務狀況表所示相關已確認金融資產的賬面值。

於2024年5月31日，本集團就來自本集團五大客戶的貿易應收款項約9,179,000令吉（2023年：6,221,000令吉）承受集中的信貸風險，佔本集團的貿易應收款項總額的62%（2023年：42%）。本集團的主要客戶為信譽良好的機構。董事密切監察客戶的後續結算。就此而言，董事認為本集團的信貸風險已大幅降低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The credit risk on liquid funds of the Group is limited because the counterparties are banks with good credit ratings and the Group has limited exposure to any single financial institution.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the management reviews the recoverability of each trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group applies simplified approach on trade receivables to provide for the ECL prescribed by HKFRS 9. The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix based on shared credit risk characteristics by reference to settlement pattern taking into consideration forward-looking information that is reasonable and supportable available without undue cost or effort.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

由於對手方為具有良好信貸評級的銀行，且本集團就任何單一財務機構所面對的風險有限，故本集團流動資金的信貸風險亦有限。

客戶合約產生的貿易應收款項

為減少信貸風險，管理層已委派一個團隊負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進措施收回逾期債務。此外，管理層於各報告期末檢討各貿易債務的可收回程度，確保就不可收回款項作出足夠減值虧損。本集團對貿易應收款項採用簡化方法，以就香港財務報告準則第9號所規定之預期信貸虧損作出撥備。本集團按相等於全期預期信貸虧損（參考結算模型依據共享信貸風險特征使用撥備矩陣計算，並考慮毋須花費不必要成本或努力即可獲得的合理及具支持性的前瞻性資料）的金額計量貿易應收款項的虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The Group's internal credit risk grading assessment comprises the following categories:

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

本集團的內部信貸風險評級評估包括以下類別：

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手方的違約風險較低，且並無任何逾期款項	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	12-month ("12m") ECL 12個月 ("12個月") 預期信貸虧損
Watch list 監察名單	Debtor frequently repays after due dates but usually settle after due date 債務人經常於逾期日後還款，但通常於逾期日後結算	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 以內部或外部資源獲得的資料顯示自初始確認以來信貸風險顯著增加	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值
Loss 虧損	There is evidence indicating the asset is creditimpaired 有證據顯示資產已發生信貸減值	Lifetime ECL – creditimpaired 全期預期信貸虧損 已發生信貸減值	Lifetime ECL – creditimpaired 全期預期信貸虧損 已發生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團並無實際收回的可能	Amount is written off 有關款項獲撇銷	Amount is written off 有關款項獲撇銷

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表詳述本集團須接受預期信貸虧損評估的金融資產的信貸風險敞口：

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	2024 Gross carrying amount 2024年總賬面值 RM'000 千令吉	2023 Gross carrying amount 2023年總賬面值 RM'000 千令吉
	附註	外部信貸評級	內部信貸評級	12個月或全期預期信貸虧損		
Financial assets at amortised cost 按攤銷成本計量的金融資產						
Amount due from ultimate holding company 應收最終控股公司款項	19	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	40	44
Amount due from a shareholder 應收股東款項	19	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	35	12
Short-term bank deposits 短期銀行存款	20	A1, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	21,089	1,166
Cash at bank 銀行現金	20	A3, AA3, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	7,142	6,828
Other receivables and deposits 其他應收款項及按金	18	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	4,455	3,251
Trade receivables – goods and services 貿易應收款項 – 貨物及服務	18	N/A 不適用	Low risk 低風險	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	7,217	5,807
			Watch list 觀察清單	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	1,222	2,598
			Doubtful 呆賬	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	1,862	1,717
			Loss 虧損	Lifetime ECL – credit-impaired 全期預期信貸虧損 已發生信貸減值	4,464	4,757

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

Note:

- For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

附註：

- 就內部信貸風險管理而言，本集團使用逾期資料評估自初始確認後信貸風險是否已大幅增加。

2024	Past due under lifetime ECL 全期預期 信貸虧損項下 逾期 RM'000 千令吉	Not past due under 12m ECL 12個月預期 信貸虧損項下 未逾期 RM'000 千令吉	Total 總計 RM'000 千令吉
2024年			

Amount due from ultimate holding company	應收最終控股公司 款項	—	40	40
Amount due from a shareholder	應收股東款項	—	35	35
Other receivables	其他應收款項	—	174	174
Deposits	按金	—	3,010	3,010

2023	Past due under lifetime ECL 全期預期 信貸虧損項下 逾期 RM'000 千令吉	Not past due under 12m ECL 12個月預期 信貸虧損項下 未逾期 RM'000 千令吉	Total 總計 RM'000 千令吉
2023年			

Amount due from ultimate holding company	應收最終控股公司 款項	—	44	44
Amount due from a shareholder	應收股東款項	—	12	12
Other receivables	其他應收款項	—	198	198
Deposits	按金	—	2,214	2,214

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表列示根據簡化方法就貿易應收款項確認的全期預期信貸虧損的變動。

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未發生 信貸減值) RM'000 千令吉	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (已發生 信貸減值) RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2022	於2022年6月1日	1,812	2,412	4,224
– Impairment losses recognised	– 已確認減值虧損	1,277	161	1,438
At 31 May 2023 and 1 June 2023	於2023年5月31日 及2023年6月1日	3,089	2,573	5,662
– Impairment losses recognised	– 已確認減值虧損	–	476	476
– Impairment losses reversed	– 已撥回減值虧損	(38)	–	(38)
– Exchange differences	– 匯兌差額	–	81	81
At 31 May 2024	於2024年5月31日	3,051	3,130	6,181

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The following table shows the movement in 12 months ECL that has been recognised for other receivables and deposits under the general approach.

		RM'000 千令吉
At 1 June 2022	於2022年6月1日	747
Impairment losses recognised	已確認減值虧損	92
At 31 May 2023 and 1 June 2023	於2023年5月31日及 2023年6月1日	839
Impairment losses recognised	已確認減值虧損	432
At 31 May 2024	於2024年5月31日	1,271

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The ECL rate are estimated based on its credit rating, past and current default record and current past due exposure of the customer.

The impairment loss for trade receivables are assessed individually and determined by reference to independent professional valuer's assessment in accordance with IFRS 9 by adopting its independently selected parameters which take into consideration of external credit rating, historical market default records and forward-looking information. For credit-impaired debtors, the Group assessed the outstanding amount individually under ECL model. At 31 May 2024, the gross trade receivables of approximately RM6,326,000 (2023: RM6,474,000) was past due and impairment loss of approximately RM6,181,000 (2023: RM5,662,000) was recognised as at 31 May 2024.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表列示根據一般方法就其他應收款項及存款確認的12個月預期信貸虧損的變動。

作為本集團信貸風險管理一部分，本集團對其客戶應用內部信貸評級。預期信貸虧損率乃根據其信貸等級、過往及當前之違約記錄以及客戶當前逾期敞口估計。

貿易應收款項的減值虧損乃經參考獨立專業估值師根據國際財務報告準則第9號的評估進行個別評估及釐定，當中採納其獨立選定的參數，當中考慮外部信貸評級、歷史市場違約記錄及前瞻性資料。就出現信貸減值的債務人而言，本集團根據預期信貸虧損模式對未償還金額進行個別評估。於2024年5月31日，約6,326,000令吉（2023年：6,474,000令吉）的貿易應收款項總額已逾期。於2024年5月31日，約6,181,000令吉（2023年：5,662,000令吉）之減值虧損已確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.

The Group makes periodic individual impairment assessment under ECL model for refundable deposits based on historical settlement records, past experience, and also quantitative information that is reasonable and supportive forward-looking information. The directors of the Group believe that there are no significant increase in credit risk of these amounts since initial recognition. At 31 May 2024, the Group provided impairment loss of approximately RM1,271,000 (2023: RM839,000) based on 12-month ECL.

No ECL has been provided for amounts due from ultimate holding company and amount due from a shareholder. The Company limits its exposure to credit risk for amounts due from ultimate holding company and amount due from a shareholder and there was no recent history of default. Management does not expect any counterparty to fail to meet its obligations. Management will continue to monitor the position and will take appropriate action if there are changes.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

倘有資料顯示債務人面臨嚴重財務困難，且實際上並無收回款項的前景（如債務人被清盤或進入破產程序，或（如為貿易應收款項）金額已逾期超過兩年（以較早發生者為準）），則本集團撤銷貿易應收款項。

本集團根據歷史結算記錄、過往經驗以及定量資料（亦為合理且有支持性之前瞻性資料），根據預期信貸虧損模式對可退還按金進行定期個別減值評估。本集團董事認為，自初始確認起，該等金額之信貸風險並無顯著增加。於2024年5月31日，本集團基於12個月預期信貸虧損已計提約1,271,000令吉（2023年：839,000令吉）之減值虧損。

本集團並無就應收最終控股公司款項及應收股東款項計提預期信貸虧損。本公司限制其對應收最終控股公司款項及應收股東款項的信貸風險敞口，且最近並無違約記錄。管理層預期並無任何對手方不能履行其責任。管理層將繼續監控有關情況並將於評級改變時採取適當行動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

In these regards, other than the credit risks mentioned above, the management believes the Group does not have any other significant credit risk and will monitor the exposures to these credit risks on an ongoing basis.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities which has been drawn up based on the undiscounted cash flows of the non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for the financial liabilities are based on the agreed repayment dates.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

就此而言，除了上文提到的信貸風險外，管理層認為本集團並無任何其他重大信貸風險，且將持續監察該等信貸風險。

流動資金風險

在管理流動資金風險時，本集團對現金及現金等價物的水平進行監察並將其維持在管理層認為足以為本集團業務營運提供資金的水平，並減少現金流量波動的影響。

下表詳列本集團非衍生金融負債的剩餘合約年期。該表按本集團可被要求付款的最早日期的非衍生金融負債未貼現現金流量列示。金融負債的到期日根據協定還款日期而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The table includes both interest and principal cash flows, to the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

28. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

表中包括利息及本金現金流量。倘利率為浮動利率，則未貼現金額按報告期末的利率曲線計算。

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 12 months 按要求或 12個月以下 RM'000 千令吉	1 to 2 years 1至2年 RM'000 千令吉	Over 2 years 2年以上 RM'000 千令吉	Total undiscounted cash flows 未貼現現金 流量總額 RM'000 千令吉	Total carrying amount 總賬面值 RM'000 千令吉
As at 31 May 2024	於2024年5月31日						
Payables and accrued charges	應付款項及應計費用	-	9,001	-	-	9,001	9,001
Lease liabilities	租賃負債	3.49%	409	-	-	409	405
Promissory note	承兌票據	3%	3,473	-	-	3,473	3,446
As at 31 May 2023	於2023年5月31日						
Payables and accrued charges	應付款項及應計費用	-	10,242	-	-	10,242	10,242
Lease liabilities	租賃負債	3.49%	649	409	-	1,058	1,030
Promissory note	承兌票據	3%	-	3,473	-	3,473	3,276

The Company provides financial guarantees to banks for banking facilities of its subsidiary company. The Company monitors on an ongoing basis, the results of the subsidiary company and repayments made by the subsidiary company. The maximum exposure to credit risk are equivalent to the amounts of the banking facilities utilised by the said subsidiary company as of the reporting date. As of the reporting date, there was no indicator that the subsidiary company would default on repayment.

本公司已就其附屬公司之銀行融資向銀行作出財務擔保。本公司持續監控附屬公司業績及還款情況。所面臨之最大信貸風險相當於所述附屬公司截至報告日期所動用之銀行融資金額。截至報告日期，概無跡象表明附屬公司將拖欠還款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

28. 金融工具 (續)

(c) 公平值計量

(i) 按公平值計量的金融資產及負債

公平值層級

公平值計量所歸入的等級參照估值技術所用輸入數據的可觀察性及重要性釐定如下：

- 第一級估值：僅使用第一級輸入數據，即相同資產或負債於計量日於活躍市場的報價（未經調整）計量的公平值。
- 第二級估值：使用第二級輸入數據，即不符合第一級標準的可觀察輸入數據，且不使用重要不可觀察輸入數據計量的公平值。不可觀察輸入數據指並無可得市場數據的輸入數據。
- 第三級估值：使用重要不可觀察輸入數據計量的公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The Group has a team headed by the finance manager performing valuations for the financial instruments. The team reports directly to the chief financial officer and the audit committee.

(ii) Fair value of the financial assets and liabilities carried other than fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Fair values of the financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

28. 金融工具 (續)

(c) 公平值計量 (續)

(i) 按公平值計量的金融資產及負債 (續)

公平值層級 (續)

本集團擁有一支由財務經理領導之團隊，負責就金融工具進行估值。該團隊直接向財務總監及審核委員會報告。

(ii) 非以公平值列賬的金融資產及負債的公平值

董事認為，於綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。金融資產及金融負債的公平值已根據公認定價模式按貼現現金流量分析釐定，且最重要輸入數據為反映對手方信貸風險的貼現率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the reconciliation of opening and closing amounts in the consolidated statement of financial position for each liability for which cash flows have been or would be, classified as financing activities in the consolidated statement of cash flows:

29. 融資活動產生的負債對賬

下表載列於綜合現金流量表已或將分類為融資活動的現金流量各項負債於綜合財務狀況表之期初及期末金額對賬詳情：

		Promissory note 承兌票據 RM'000 千令吉	Interest payable 應付利息 RM'000 千令吉	Lease liabilities 租賃負債 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2022	於2022年6月1日	-	-	1,450	1,450
Changes from financing cash flows:	融資現金流量變動：				
Capital element of lease rentals paid	已付租金之資本部分	-	-	(601)	(601)
Interest element of lease rentals paid	已付租金之利息部分	-	-	(56)	(56)
Finance costs paid	已付融資成本	-	(10)	-	(10)
		-	(10)	793	783
Other changes:	其他變動：				
Settlement of acquisition cost of an associate by the issue of promissory note	透過發行承兌票據結算一間聯營公司之收購成本	3,244	-	-	3,244
Lease modification	租賃修改	-	-	181	181
Interest expenses	利息開支	32	10	56	98
At 31 May 2023 and 1 June 2023	於2023年5月31日及2023年6月1日	3,276	-	1,030	4,306
Changes from financing cash flows:	融資現金流量變動：				
Capital element of lease rentals paid	已付租金之資本部分	-	-	(625)	(625)
Interest element of lease rentals paid	已付租金之利息部分	-	-	(24)	(24)
Finance costs paid	已付融資成本	-	(10)	-	(10)
		3,276	(10)	381	3,647
Other changes:	其他變動：				
Exchange difference	匯兌差額	71	-	-	71
Interest expenses	利息開支	99	10	24	133
At 31 May 2024	於2024年5月31日	3,446	-	405	3,851

The major non-cash transaction was an acquisition of an associate settled by promissory note.

主要非現金交易為透過發行承兌票據結算收購一間聯營公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. BANKING FACILITIES

At 31 May 2024, a subsidiary company of the Group has banking facilities amounting to approximately RM5,750,000 (2023: RM5,750,000).

These facilities are secured by:

- (i) leasehold land under right-of-use assets and building with a carrying amount of approximately RM207,000 (2023: RM215,000);
- (ii) fixed deposits amounting to approximately RM212,000 (2023: RM1,127,000); and
- (iii) corporate guarantee by the Company amounting to RM5,750,000 (2023: RM5,750,000).

At 31 May 2024, the utilisation of banking facilities amounted to approximately RM534,000 (2023: RM534,000) for the performance guarantee disclosed in note 32.

30. 銀行融資

於2024年5月31日，本集團的一間附屬公司的銀行融資約為5,750,000令吉（2023年：5,750,000令吉）。

該等融資由以下各項抵押：

- (i) 賬面值約為207,000令吉（2023年：215,000令吉）的使用權資產項下租賃土地及樓宇；
- (ii) 約為212,000令吉（2023年：1,127,000令吉）的定期存款；及
- (iii) 本公司提供的5,750,000令吉（2023年：5,750,000令吉）公司擔保。

於2024年5月31日，動用的銀行融資約為534,000令吉（2023年：534,000令吉），用於附註32中所披露的履約擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. INTERESTS IN SUBSIDIARY COMPANIES

During the year, the Company has direct and indirect shareholders/equity interests in the following subsidiary companies:

31. 於附屬公司的權益

年內，本公司於下列附屬公司擁有直接及間接股東／股本權益：

Name of Company	Place of incorporation/ operation	Equity attributable to the Group			Principal activities
		Issued and fully paid-up share capital	At 31 May 2024	At 31 May 2023	
公司名稱	註冊成立／營業地點	已發行及繳足股本	2024年5月31日	2023年5月31日	主要業務
Target Precast Industries Sdn. Bhd.	Malaysia 馬來西亞	RM500,000 500,000令吉	100%	100%	Manufacturing and trading of precast concrete junction boxes 製造及買賣預製混凝土接線盒
Target Sales & Marketing Sdn. Bhd.	Malaysia 馬來西亞	RM70,002 70,002令吉	100%	100%	Trading of precast concrete junction boxes and accessories and pipes 買賣預製混凝土接線盒及配件及管道
Target Crane & Logistic Sdn. Bhd.	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Provision of mobile crane rental and ancillary services 提供移動式起重機租賃及配套服務
Gallant Empire Limited*	British Virgins Island 英屬處女群島	US\$1,000 1,000美元	100%	100%	Investment holding 投資控股
SK Target Holdings Sdn. Bhd.	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Investment holding 投資控股
Loyal Earn Limited	Hong Kong 香港	HKD1 1港元	100%	100%	Provision of sourcing of material suppliers services 提供材料採購供應商服務
Target Foundry Sdn Bhd	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Inactive 暫無營業
Extra Mega Limited	Hong Kong 香港	HKD1 1港元	—	100%	Inactive 暫無營業
SK Solutions Limited	Hong Kong 香港	HKD100 100港元	100%	100%	Sales of health supplement products 銷售保健產品

* Directly held by the Company

* 由本公司直接持有

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. INTERESTS IN SUBSIDIARY COMPANIES

(Continued)

None of the subsidiary companies had issued any debt securities at the end of the reporting period.

32. PERFORMANCE GUARANTEE

At the end of the reporting period, the Group has provided a performance guarantee in respect of a project signed with Telekom Malaysia Berhad, a customer, amounting to approximately RM534,000 (2023: RM534,000) for securing a project. This guarantee will be discharged upon the completion of the project.

33. RELATED PARTIES TRANSACTIONS

- (a) Balances with related parties are disclosed in the consolidated statement of financial position and in note 19.
- (b) The remuneration paid or payable to the key management personnel, being the directors of the Company, during the year is included in note 6. The remuneration of key management personnel is determined with reference to the performance of the individuals and market trends.

31. 於附屬公司的權益 (續)

概無附屬公司於報告期末發行任何債務證券。

32. 履約擔保

於報告期末，本集團已就與一名客戶 Telekom Malaysia Berhad 簽署的項目提供履約擔保，金額約為 534,000 令吉 (2023 年：534,000 令吉)，以擔保有關項目。該擔保將於項目完成後解除。

33. 關聯方交易

- (a) 與關聯方的結餘於綜合財務狀況表及附註19披露。
- (b) 年內已付或應付主要管理人員(即本公司董事)的薪酬載於附註6。主要管理人員的薪酬乃參考個人表現及市場趨勢釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

34. 本公司的財務狀況表

本公司於報告期末的財務狀況表的資料包括：

		2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Current Assets	流動資產		
Receivables, deposits and prepayment	應收款項、按金及預付款	1,054	1,339
Amounts due from subsidiary companies (Note a)	應收附屬公司款項 (附註a)	1,753	2,457
Cash and bank balances	現金及銀行結餘	93	–
Total Current Assets	流動資產總值	2,900	3,796
Current Liabilities	流動負債		
Payable and accrued charges	應付款項及應計費用	682	419
Amounts due to subsidiary companies (Note a)	應付附屬公司款項 (附註a)	2,832	3,312
Total Current Liabilities	流動負債總額	3,514	3,731
Net Current (Liabilities)/Assets	淨流動 (負債)／資產	(614)	65
Net (Liabilities)/Assets	淨 (負債)／資產	(614)	65
Capital and Reserves	資本及儲備		
Share capital	股本	6,028	5,438
Share premium	股份溢價	28,074	28,059
Accumulated losses (note b)	累計虧損 (附註b)	(34,716)	(33,432)
(Capital Deficiencies)/ Total Equity	(資本虧絀)／權益總額	(614)	65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

The movements of the Company's equity are as follows:

34. 本公司的財務狀況表 (續)

本公司的權益變動如下：

		Share capital 股本 (note 25) (附註25) RM'000 千令吉	Share premium 股份溢價 (note 26(a)) (附註26(a)) RM'000 千令吉	Accumulated losses 累積虧損 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2022	於2022年6月1日	4,501	27,228	(33,207)	(1,478)
Loss for the year	年內虧損	–	–	(225)	(225)
Placing	配售事項	937	831	–	1,768
At 31 May 2023 and 1 June 2023	於2023年5月31日及 2023年6月1日	5,438	28,059	(33,432)	65
Loss for the year	年內虧損	–	–	(1,284)	(1,284)
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股發行 認購股份	590	15	–	605
At 31 May 2024	於2024年5月31日	6,028	28,074	(34,716)	(614)

Notes:

- (a) The amounts due from/(to) subsidiary companies are unsecured, interest-free and repayable on demand.
- (b) The loss for the year ended 31 May 2024 comprises the reversal of allowance for credit losses recognised against amounts due from subsidiary companies of approximately RM10,000 (2023: RM39,000).

附註：

- (a) 應收／(應付) 附屬公司款項為無抵押、免息及須按要求償還。
- (b) 截至2024年5月31日止年度之虧損分別包括應收附屬公司確認的信貸虧損撥備撥回約10,000令吉 (2023年：39,000令吉)。

The financial position of the Company was approved and authorised for issue by the Board of Directors on 29 August 2024 and are signed on behalf by:

本公司的財務狀況表已於2024年8月29日由董事會批准並授權刊發，並由下列董事代表簽署：

Loh Swee Keong

Director
董事

Yau Ka Hei

邱家禧
Independent Non-Executive Director
獨立非執行董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35. COMMITMENT

Capital commitment contracted for at the end of the reporting year but not yet incurred is as follow:

	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Property, plant and equipment 物業、廠房及設備	7,157	—

36. OPERATING LEASE ARRANGEMENTS

The Group as lessee

The Group entered into several short-term leases for equipment. As at 31 May 2024, the outstanding lease commitments relating to these equipment is RM6,000 (2023: RM24,000).

The Group as lessor

Operating leases relate to investment property owned by the Group with lease terms of one year, with one year extension. All operating lease contracts contain market review clauses in the event that the lessee exercises its options to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Minimum lease payments receivable on leases are as follows:

	2024 2024年 RM'000 千令吉	2023 2023年 RM'000 千令吉
Within one year 於一年內	—	24

35. 承擔

於報告年末已訂立但尚未產生的資本承擔如下：

36. 經營租賃安排

本集團作為承租人

本集團就設備訂立若干短期租賃。於2024年5月31日，與該等設備有關的未償還租賃承擔為6,000令吉（2023年：24,000令吉）。

本集團作為出租人

經營租賃與本集團擁有的投資物業有關，租期為一年，可延期一年。所有經營租賃合約均包含承租人行使其續租選擇權的市場回顧條款。承租人並無於租期屆滿時購買該物業的選擇權。

租賃的應收最低租賃付款如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MAY 2024

Up to the date of issue of these financial statements, the IASB has issued a number of amendments and a new standard which are not yet effective for the year ended 31 May 2024 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to IAS 1	Non-current Liabilities with Covenants ¹
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements ¹
Amendments to IAS 21	Lack of Exchangeability ²
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments ³
Annual Improvement Project	Annual Improvements to IFRS Accounting Standards – Volume 11 ³
IFRS 18	Presentation and Disclosure in Financial Statements ⁴
IFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵

- ¹ Effective for annual periods beginning on or after 1 January 2024
- ² Effective for annual periods beginning on or after 1 January 2025
- ³ Effective for annual periods beginning on or after 1 January 2026
- ⁴ Effective for annual periods beginning on or after 1 January 2027
- ⁵ Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

37. 已頒佈但於截至2024年5月31日止年度尚未生效之修訂、新增準則及詮釋之可能影響

截至該等財務報表刊發日期，國際會計準則理事會已頒佈多項修訂本及一項新準則，尚未於截至2024年5月31日止年度生效及於該等財務報表內採納。該等發展包括下列可能與本集團相關者。

國際會計準則第1號（修訂本）	將負債分類為流動或非流動 ¹
國際會計準則第1號（修訂本）	附帶契諾的非流動負債 ¹
國際財務報告準則第16號（修訂本）	售後租回交易中的租賃負債 ¹
國際會計準則第7號及國際財務報告準則第7號（修訂本）	供應商融資安排 ¹
國際會計準則第21號（修訂本）	缺乏可兌換性 ²
國際財務報告準則第9號及國際財務報告準則第7號（修訂本）	金融工具的分類和計量 ³
年度改進計劃	國際財務報告準則會計準則的年度改進 – 第11卷 ³
國際財務報告準則第18號	財務報表的呈列和披露 ⁴
國際財務報告準則第19號	非公共受託責任附屬公司的披露 ⁴
國際財務報告準則第10號及國際會計準則第28號（修訂本）	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁵

- ¹ 於2024年1月1日或之後開始之年度期間生效
- ² 於2025年1月1日或之後開始之年度期間生效
- ³ 於2026年1月1日或之後開始之年度期間生效
- ⁴ 於2027年1月1日或之後開始之年度期間生效
- ⁵ 於待定日期或之後開始之年度期間生效

本集團正在評估該等發展於首次應用期間預期產生的影響。迄今為止，本集團認為採納該等修訂不大可能對綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 18 June 2024, the Company held an extraordinary general meeting. Reference is made to the circular of the Company dated 31 May 2024, which approved the acquisition of property, plant and equipment, amounting to approximately RM7,952,000 for manufacturing facility purpose.

On 27 June 2024 (after trading hours), the Company entered into a subscription agreement with the subscriber, pursuant to which the Company will allot and issue an aggregate of 27,252,720 subscription shares at the subscription price of HK\$0.08 per share. The net proceeds from the subscription after deducting related professional fees and related expenses are expected to be approximately HK\$2,100,000. The subscription was completed on 17 July 2024.

On 2 August 2024, an ordinary resolution was passed on share consolidation ("**Share Consolidation**"). According to the resolution, every 10 issued and unissued existing shares of par value HK\$0.08 each in the share capital of the Company would be consolidated into 1 consolidated share of par value HK\$0.8 each ("**Consolidated Share**"). The Share Consolidation became effective on 6 August 2024.

On 16 August 2024 (after trading hours), the Company entered into the sale and purchase agreement with Wanshun Technology Industrial Group Limited (the "**Vendor**"), pursuant to which the Vendor conditionally agreed to sell, and the Company conditionally agreed to acquire, the sale ordinary issued share(s) of a Hong Kong Company to be incorporated, which will hold the entire equity interest of Shenzhen Wanshunfu Smart Life Service Company Limited. The consideration is HK\$5.5 million and will be satisfied by the issuance of the promissory note by the Company on the completion date.

38. 報告期末後事項

於2024年6月18日，本公司舉行了股東特別大會。茲提述本公司日期為2024年5月31日的通函，批准收購用於製造設施的物業、廠房及設備，金額約為7,952,000令吉。

於2024年6月27日（交易時段後），本公司與認購人訂立認購協議，據此，本公司將按認購價每股0.08港元配發及發行合共27,252,720股認購股份。預期認購事項之所得款項淨額（經扣除相關專業費用及相關開支後）約為2,100,000港元。認購事項於2024年7月17日完成。

於2024年8月2日，有關股份合併（「**股份合併**」）的普通決議案獲通過。根據該決議案，本公司股本中每十股每股面值0.08港元的已發行及未發行現有股份將合併為一股每股面值0.8港元的合併股份（「**合併股份**」）。股份合併自2024年8月6日起生效。

於2024年8月16日（交易時段後），本公司與Wanshun Technology Industrial Group Limited（「**賣方**」）訂立買賣協議，據此，賣方有條件同意出售，且本公司有條件同意購買一家將註冊成立的香港公司（將持有深圳萬順福智慧生活服務有限公司的全部股權）的已發行銷售普通股。代價為5.5百萬港元，並將由本公司於完成日期以發行承兌票據的方式支付。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

		Year ended 31 May 截至5月31日止年度				
RESULTS		2024	2023	2022	2021	2020
業績		2024年	2023年	2022年	2021年	2020年
		RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉
Revenue from continuing operations	來自持續經營業務的收入	30,681	30,301	21,287	21,073	19,404
Gross profit from continuing operations	來自持續經營業務的毛利	8,559	6,923	3,568	4,671	4,906
Profit before taxation from continuing operations	來自持續經營業務的除稅前溢利	1,247	818	(1,609)	(2,966)	(3,482)
Profit for the year	年內溢利					
– from continuing operations	–來自持續經營業務	108	88	(1,941)	(3,642)	(3,944)
– from discontinued operation	–來自已終止經營業務	–	–	18	(1,211)	(484)

		As at 31 May 於5月31日				
ASSETS AND LIABILITIES		2024	2023	2022	2021	2020
資產及負債		2024年	2023年	2022年	2021年	2020年
		RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉
Total assets	資產總值	50,607	50,658	41,694	42,410	46,187
Total liabilities	負債總額	14,309	15,483	8,780	8,822	10,079
Net assets	淨資產	36,298	35,175	32,914	33,588	36,108
CAPITAL AND RESERVES	資本及儲備					
Total equity	權益總額	36,298	35,175	32,914	33,588	36,108



SK TARGET GROUP LIMITED
瑞強集團有限公司

WS-SK TARGET GROUP LIMITED 萬順瑞強集團有限公司

(formerly known as SK Target Group Limited (瑞強集團有限公司))

(前稱SK Target Group Limited (瑞強集團有限公司))

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 8427

2025

ANNUAL REPORT
年報

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small & mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “**Directors**”) of WS-SK Target Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司（「聯交所」）GEM 的特色

GEM 的定位乃為相比起其他在聯交所上市的公司帶有較高投資風險的中小型公司提供一個上市的市場。有意投資的人士應瞭解投資該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於在 GEM 上市之公司一般為中小型公司，在 GEM 買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時亦無法保證在 GEM 買賣的證券會有高流通量之市場。

香港交易及結算所有限公司及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

本報告乃遵照聯交所 GEM 證券上市規則（「**GEM 上市規則**」）的規定而提供有關萬順瑞強集團有限公司（「**本公司**」）的資料。本公司各董事（「**董事**」）對此共同及個別地承擔全部責任。董事在作出一切合理查詢後確認，就彼等深知及盡信，本報告所載資料在各重大方面均為準確及完整，且並無誤導或欺詐成份，亦無遺漏其他事項致使本報告所載任何陳述或本報告有所誤導。

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CORPORATE INFORMATION

公司資料

REGISTERED OFFICE IN CAYMAN ISLANDS

Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

18, Jalan LP 2A/2,
Taman Lestari Perdana,
43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1406-08, 14/F,
Austin Tower,
22-26 Austin Avenue,
Tsimshatsui, Kowloon, Hong Kong

EXECUTIVE DIRECTORS

Mr. Loh Swee Keong (*Chairman and Chief Executive Officer*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei
Mr. Ma, She Shing Albert
Ms. Yau Ka Ying (appointed on 6 August 2025)
Mr. Kwok Tsz Hin (resigned on 2 December 2024)
Ms. Chan Sheung Yu (appointed on 2 December 2024 and
resigned on 6 August 2025)

COMPANY SECRETARY

Mr. Leung Tze Wai, CPA

COMPLIANCE OFFICER

Mr. Loh Swee Keong

開曼群島註冊辦事處

Windward 3,
Regatta Office Park,
P.O. Box 1350,
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總部及馬來西亞主要營業地點

18, Jalan LP 2A/2,
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43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

香港主要營業地點

香港九龍尖沙咀
柯士甸路22-26號
好兆年行
14樓1406-08室

執行董事

Loh Swee Keong 先生 (主席兼行政總裁)

獨立非執行董事

邱家禧先生
馬希聖先生
丘嘉榮女士 (於2025年8月6日獲委任)
郭子軒先生 (於2024年12月2日辭任)
陳湘洳女士 (於2024年12月2日獲委任及
於2025年8月6日辭任)

公司秘書

梁子煒先生，註冊會計師

合規主任

Loh Swee Keong 先生

CORPORATE INFORMATION

公司資料

AUDIT COMMITTEE

Mr. Yau Ka Hei (*Chairman*)

Mr. Ma, She Shing Albert

Ms. Yau Ka Ying (appointed on 6 August 2025)

Mr. Kwok Tsz Hin (resigned on 2 December 2024)

Ms. Chan Sheung Yu (appointed on 2 December 2024 and resigned on 6 August 2025)

REMUNERATION COMMITTEE

Mr. Yau Ka Hei (*Chairman*)

Mr. Loh Swee Keong

Mr. Ma, She Shing Albert

NOMINATION COMMITTEE

Mr. Loh Swee Keong (*Chairman*)

Mr. Yau Ka Hei

Ms. Yau Ka Ying (appointed on 6 August 2025)

Mr. Ma, She Shing Albert (ceased to act on 1 July 2025)

Ms. Chan Sheung Yu (appointed on 1 July 2025 and resigned on 6 August 2025)

AUTHORIZED REPRESENTATIVE

Mr. Loh Swee Keong

Mr. Leung Tze Wai, CPA

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited

Windward 3,

Regatta Office Park,

P.O. Box 1350,

Grand Cayman KY1-1108,

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre,

16 Harcourt Road,

Hong Kong

審核委員會

邱家禧先生 (主席)

馬希聖先生

丘嘉榮女士 (於2025年8月6日獲委任)

郭子軒先生 (於2024年12月2日辭任)

陳湘沔女士 (於2024年12月2日獲委任及於2025年8月6日辭任)

薪酬委員會

邱家禧先生 (主席)

Loh Swee Keong 先生

馬希聖先生

提名委員會

Loh Swee Keong 先生 (主席)

邱家禧先生

丘嘉榮女士 (於2025年8月6日獲委任)

馬希聖先生 (於2025年7月1日卸任)

陳湘沔女士 (於2025年7月1日獲委任及於2025年8月6日辭任)

授權代表

Loh Swee Keong 先生

梁子煒先生，註冊會計師

開曼群島股份過戶登記總處

Ocorian Trust (Cayman) Limited

Windward 3,

Regatta Office Park,

P.O. Box 1350,

Grand Cayman KY1-1108,

Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司

香港

夏慤道16號

遠東金融中心17樓

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKER

CIMB Bank Berhad
Public Bank Berhad

主要往來銀行

CIMB Bank Berhad
Public Bank Berhad

AUDITORS

McMillan Woods (Hong Kong) CPA Limited

核數師

長青(香港)會計師事務所有限公司

COMPANY'S WEBSITE ADDRESS

www.sktargetgroup.com

公司網址

www.sktargetgroup.com

STOCK CODE

8427

股份代號

8427

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

I am pleased to present the annual results of WS-SK Target Group Limited (formerly known as SK Target Group Limited) (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 May 2025.

REVIEW

The growth outlook for the global economy remains subject to downside risks, mainly from further escalation of geopolitical tensions, heightened volatility in global financial markets and slower growth momentum in major economies.

The Group has experienced a slight increase in revenue of 2.85% for the year ended 31 May 2025 when as compared to the revenue for the year ended 31 May 2024. The revenue generated from the manufacturing and trading of precast concrete junction boxes business slightly increased by approximately 0.62%, the other building materials and services business segment increased by approximately 26.26%. Following the acquisition on 深圳萬順福智慧生活服務有限公司 during the year, the Group has stepped into e-commerce platform business. The operations of sourcing services and sale of health supplement products were discontinued during the year due to change in direction of business strategy and management has dedicated more resources on development manufacturing and trading of precast concrete junction boxes business and other new business.

Due to the present economic conditions, the Group expects a tough operating environment in the financial year ahead.

The Group is cautiously optimistic about the overall business prospects, while labour shortage and rise in material cost remains challenges and pressures to the Group.

The management of the Group is committed to looking for business opportunities that would generate long-term returns to the shareholders of the Company.

各位股東：

本人欣然提呈萬順瑞強集團有限公司（前稱為瑞強集團有限公司）（「**本公司**」）及其附屬公司（統稱「**本集團**」）截至2025年5月31日止年度的全年業績。

回顧

全球經濟的增長前景仍然面臨下行風險，主要來自地緣政治緊張局勢的進一步升級、全球金融市場的波動加劇以及主要經濟體增長動力的放緩。

較截至2024年5月31日止年度的收入相比，本集團截至2025年5月31日止年度的收入略微增加2.85%。自預製混凝土接線盒業務的製造及貿易產生的收入略微增加約0.62%，其他建築材料及服務業務分部產生的收入則增加約26.26%。本集團於年內收購深圳萬順福智慧生活服務有限公司後，已涉足電子商務平台業務。年內，由於業務策略方向的改變，以及管理層將更多資源用於發展預製混凝土接線盒的製造及貿易業務及其他新業務，採購服務及銷售保健產品業務已終止營運。

由於目前的經濟狀況，本集團預計在即將到來的財政年度將面臨嚴峻的經營環境。

本集團對整體業務前景持審慎樂觀態度，而勞工短缺及材料成本上漲仍為本集團面臨的挑戰及壓力。

本集團的管理層致力於尋求可為本公司股東帶來長期回報的商機。

CHAIRMAN'S STATEMENT

主席報告書

PROSPECT

The Group is taking positive steps to maintain the Group's business operation and to build sustainable business operation for the Group in order to maximize the shareholders' return of the Company.

The Board will continue to monitor the business environment in Malaysia, Hong Kong and PRC and make appropriate adjustments to the Group's operations should there be a need.

APPRECIATION

Finally, on behalf of the Board, I would like to thank all shareholders and Board members for their support and efforts to the Group. I also express my sincere gratitude to our customers and business partners for their continued support, as well as to my colleagues and staffs for all their dedication, loyalty and contribution to the Group.

Loh Swee Keong

Chairman

Hong Kong, 29 August 2025

前景

本集團正積極採取措施來維持本集團的業務經營，實現本集團業務經營可持續發展，從而最大化本公司股東之回報。

董事會將繼續監控馬來西亞、香港及中國的業務環境，並於需要時對本集團的經營作出恰當調整。

致謝

最後，本人謹代表董事會就所有股東及董事會成員對本集團的支持及努力衷心致謝。本人亦衷心感謝客戶及業務夥伴的持續支持，以及董事會同仁及職員對本集團的熱誠、忠誠及貢獻。

主席

Loh Swee Keong

香港，2025年8月29日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

The Group manufactures and sells precast concrete telecommunication junction boxes and precast concrete electrical junction boxes under our brand of “Target” in Malaysia. The Group’s precast concrete junction boxes are used in (i) telecommunication and electrical infrastructures upgrade and expansion works; and (ii) construction projects in Malaysia. They are buried underground to deter tampering and are used to house and protect a junction with telecommunication and electrical utility connection and distribution access points from weather, changing elevation underground and provide easy access for maintenance.

The Group has been a registered supplier or the approved supplier of various notable telecommunication companies such as Celcom Axiata Berhad and Telekom Malaysia (“**Telekom**”) since 2008 and the registered supplier of Tenaga National Bhd. (“**TNB**”), the sole electric utility company, in Malaysia since 2012. Hence, the Group’s precast concrete junction boxes are used in infrastructure or construction projects involving telecommunication companies and TNB.

For the year ended 31 May 2025, the revenue of the Group slightly increased by approximately 2.85%, the increase is mainly due to the increase in the revenue of the other building materials and services business and the contribution from new business.

Moreover, other factors which include labour shortage and dependency on foreign workers, and the rising production and transportation costs have exerted pressure on the Group’s business operations. Nevertheless, the Group remains cautiously optimistic about the overall business prospects.

業務回顧及展望

本集團於馬來西亞製造及銷售「Target」品牌的預製混凝土電信接線盒及預製混凝土電力接線盒。本集團的預製混凝土接線盒用於馬來西亞的(i)電信及電力基建升級及擴建工程；及(ii)建築項目。它們埋藏於地下以防止損害，以及用作放置及保護與電信及電力設施連接的接線點以及分佈式接入點，免受天氣及地下高標轉變的影響，並提供通道方便維修。

本集團自2008年起為多家知名電信公司（如Celcom Axiata Berhad及Telekom Malaysia（「**Telekom**」））的註冊供應商或認可供應商，以及自2012年起為Tenaga National Bhd.（「**TNB**」，馬來西亞唯一的電力公用事業公司）的註冊供應商。因此，本集團的預製混凝土接線盒可用於涉及電信公司及TNB的基建或建築項目。

截至2025年5月31日止年度，本集團收入略微增加約2.85%，該增加乃主要由於其他建築材料及服務業務收入增加以及新業務貢獻所致。

此外，勞工短缺與倚賴外勞以及生產及運輸成本上升等其他因素已對本集團的業務經營施加壓力。然而，本集團仍對整體業務前景持審慎樂觀態度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The revenue slightly increased from approximately RM30.7 million for the year ended 31 May 2024 to approximately RM31.6 million for the year ended 31 May 2025, representing a slightly increase of approximately 2.85%. Such increase was mainly due to the increase in the revenue generated from the other building materials and services business and the contribution from new business.

For the manufacturing and trading of precast concrete junctions boxes business, the revenue increased by approximately 0.62%, from approximately RM29.3 million for the year ended 31 May 2024 to approximately RM29.5 million for the year ended 31 May 2025. The revenue generated from this business segment was steady.

For the other building materials and services business, the revenue increased by approximately 26.26%, from approximately RM1.4 million for the year ended 31 May 2024 to approximately RM1.8 million for the year ended 31 May 2025. The increase was mainly due to the increase in transportation income in association with the increase in sales of larger precast junction boxes.

Following the acquisition on 深圳萬順福智慧生活服務有限公司 during the year, the Group has stepped into e-commerce platform business and contributed approximately RM327,000 in revenue.

The sales of health supplements business and the sourcing services of materials business were discontinued due to change in direction of business strategy. Management has dedicated more resources on developing manufacturing and trading of precast concrete junction boxes business and other business with potential.

財務回顧

收入

收入由截至2024年5月31日止年度約30.7百萬令吉略微增加至截至2025年5月31日止年度約31.6百萬令吉，略微增加約2.85%。有關增加乃主要由於其他建築材料及服務業務收入增加以及新業務貢獻所致。

預製混凝土接線盒的製造及貿易業務收入增加約0.62%，由截至2024年5月31日止年度約29.3百萬令吉增加至截至2025年5月31日止年度約29.5百萬令吉。該業務分部產生的收入維持穩定。

其他建築材料及服務業務的收入由截至2024年5月31日止年度約1.4百萬令吉增加約26.26%至截至2025年5月31日止年度約1.8百萬令吉。有關增加乃主要由於大型預製接線盒銷售增加所帶來的運輸收入增加。

本集團於年內收購深圳萬順福智慧生活服務有限公司後，已涉足電子商務平台業務，並產生收入約327,000令吉。

由於業務策略方向的改變，銷售保健產品業務及物料採購服務業務已終止。管理層將更多資源用於發展預製混凝土接線盒的製造及貿易業務及其他具潛力業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of sales and Gross Profit

Costs of sales mainly consists of (i) cost of raw materials and trading products; (ii) manufacturing overheads; (iii) direct labour; and (iv) crane hiring costs. The cost of sales slightly increased from approximately RM22.1 million for the year ended 31 May 2024 to approximately RM22.2 million for the year ended 31 May 2025, representing an increase of approximately 0.21%.

The total cost of sales from the manufacturing and sale of precast concrete junction boxes decreased from approximately RM21.0 million for the year ended 31 May 2024 to approximately RM20.7 million for the year ended 31 May 2025, representing a decrease of approximately of 1.61%.

The Gross Profit increased from approximately RM8.6 million for the year ended 31 May 2024 to approximately RM9.4 million for the year ended 31 May 2025. The increase is mainly due to the management is focussing on precast junction boxes with higher profit margin and better control in expense.

Administrative expenses

Administrative expenses of the Group decreased by approximately RM0.4 million or 6.69% from approximately RM5.9 million for the year ended 31 May 2024 to approximately RM5.5 million for the year ended 31 May 2025.

The Group's administrative expenses mainly consisted of salaries, welfare and other benefits, rent and rates, general office expenses, depreciation and professional service fees. The decrease was mainly attributable to significant effort was put in controlling expenses.

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately RM0.5 million or 36.95% from approximately RM1.4 million for the year ended 31 May 2024 to approximately RM1.9 million for the year ended 31 May 2025. The increase is mainly attributable to the increase in bonus, commission, entertainment and travelling expenses and the expenses incurred by new business.

The Group's selling and distribution expenses mainly consisted of salaries, welfare and other benefits for sales and marketing staff and travelling and entertainment expenses.

銷售成本及毛利

銷售成本主要包括(i)原材料及貿易產品成本；(ii)製造費用；(iii)直接勞工；及(iv)起重機租用成本。銷售成本由截至2024年5月31日止年度約22.1百萬令吉略微增加至截至2025年5月31日止年度約22.2百萬令吉，增幅約0.21%。

製造及銷售預製混凝土接線盒的總銷售成本由截至2024年5月31日止年度約21.0百萬令吉減少至截至2025年5月31日止年度約20.7百萬令吉，減幅約1.61%。

毛利由截至2024年5月31日止年度約8.6百萬令吉增加至截至2025年5月31日止年度約9.4百萬令吉。有關增加乃主要由於管理層專注於利潤率較高的預製接線盒及更好地控制開支。

行政開支

本集團的行政開支由截至2024年5月31日止年度約5.9百萬令吉減少約0.4百萬令吉或6.69%至截至2025年5月31日止年度約5.5百萬令吉。

本集團的行政開支主要包括薪金、福利及其他福利、租金及差餉、一般辦公室開支、折舊及專業服務費。有關減少乃主要由於在控制開支方面付出了重大努力所致。

銷售及分銷開支

本集團的銷售及分銷開支由截至2024年5月31日止年度約1.4百萬令吉增加約0.5百萬令吉或36.95%至截至2025年5月31日止年度約1.9百萬令吉。有關增加乃主要由於花紅、佣金、招待及差旅開支以及新業務產生的開支增加所致。

本集團的銷售及分銷開支主要包括銷售及市場推廣員工的薪金、福利及其他福利以及差旅及招待開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit for the year

The Group recorded a net profit of approximately RM82,000 for the year ended 31 May 2025 (2024: RM108,000) due to the net effect of (i) the increase in revenue for the year ended 31 May 2025; (ii) the increase in selling and distribution expenses for the year ended 31 May 2025; (iii) the decrease in administrative expenses for the year ended 31 May 2025; and (iv) the share of results of an associate for the year ended 31 May 2025.

PRINCIPAL RISK AND UNCERTAINTIES

Operational risk

The Group's operation is subject to general economic and market risks which may affect the competition and profitability of construction projects. The Group's key risk exposures are summarised as follows:

- (a) Fluctuation in the prices of our major raw materials may have adverse impacts on the Group's financial results;
- (b) The Group's revenue is mainly derived from the manufacturing and sale of precast concrete junction boxes to its customers for infrastructure upgrades and expansion work for construction projects, which are non-recurrent in nature and there is no guarantee that the customers will place new business purchase orders; and
- (c) The Group's cash flow position may deteriorate due to a mismatch between the time of receipt of payments from its customers and payments to its suppliers if the Group is unable to manage its cash flow mismatch properly.

For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus of the Group dated 6 July 2017 (the "**Prospectus**").

年內溢利

本集團於截至2025年5月31日止年度錄得淨溢利約82,000令吉（2024年：108,000令吉），乃由於(i)截至2025年5月31日止年度的收入增加；(ii)截至2025年5月31日止年度銷售及分銷開支增加；(iii)截至2025年5月31日止年度行政開支減少；及(iv)截至2025年5月31日止年度分佔一間聯營公司的業績。

主要風險及不確定因素

經營風險

本集團的營運涉及可能影響建築項目的競爭及盈利能力的整體經濟及市場風險。本集團面臨的主要風險概述如下：

- (a) 主要原材料價格波動可能對本集團的財務業績造成不利影響；
- (b) 本集團的收入主要來自為客戶就屬於非經常性的基建升級及建築項目的擴張工程製造及銷售預製混凝土接線盒，且概不保證客戶將發出新業務採購訂單；及
- (c) 倘本集團未能妥善管理現金流量錯配的情況，本集團的現金流量狀況可能因收到客戶付款與向供應商付款出現時間錯配而惡化。

有關本集團面臨的其他風險及不確定因素，請參閱本集團日期為2017年7月6日的招股章程（「招股章程」）「風險因素」一節。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial risks

As a manufacturer of precast concrete junction boxes, the Group has to purchase raw materials from its suppliers from time to time based on its procurement policy. The Group relies on cash inflow from its customers to meet its payment obligations to our suppliers. The Group's cash inflow is dependent on the prompt settlement of its payments. As at 31 May 2025, the Group recorded trade receivables amounting to approximately RM5.4 million, the number of trade receivables turnover days was approximately 81 days which exceeded the credit period stipulated on the Group's service agreements with its customers with average trade payable turnover days of approximately 47 days. The Group is exposed to credit risk and liquidity risk. For further details, please refer to note 32 to the consolidated financial statements.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 May 2025, the Group's cash and cash equivalents was approximately RM22.7 million (31 May 2024: approximately RM28.2 million).

As at 31 May 2025, the Group has no borrowings (31 May 2024: Nil).

As at 31 May 2025, the Group's current ratio was 2.71 (31 May 2024: 3.00), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was Nil as at 31 May 2025 and 31 May 2024, which is calculated based on the total interest-bearing loans divided by the total equity.

As at 31 May 2024 and 31 May 2025, the Group had no bank borrowings. The Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

財務風險

作為一家預製混凝土接線盒製造商，本集團須根據其採購政策不時向供應商採購原材料。本集團依賴來自客戶的現金流入以履行向供應商付款的責任。本集團的現金流入取決於迅速結清付款。於2025年5月31日，本集團錄得貿易應收款項約5.4百萬令吉，而貿易應收款項週轉日數約為81日，超過本集團與客戶訂立的服務協議所規定的信貸期，平均貿易應付款項週轉日數則約為47日。本集團面臨信貸風險及流動資金風險。進一步詳情請參閱綜合財務報表附註32。

流動資金及財務資源

於2025年5月31日，本集團的現金及現金等價物約為22.7百萬令吉（2024年5月31日：約28.2百萬令吉）。

於2025年5月31日，本集團並無借款（2024年5月31日：無）。

於2025年5月31日，本集團的流動比率為2.71倍（2024年5月31日：3.00倍），乃按總流動資產除以總流動負債計算。於2025年5月31日及2024年5月31日，資本負債比率為零，乃按總計息貸款除以權益總額計算。

於2024年5月31日及2025年5月31日，本集團並無銀行借款。本集團的財務狀況穩健強大。憑藉可用的銀行結餘以及現金及銀行信貸融資，本集團擁有充裕的流動資金以滿足其資金需要。

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CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the year. The share capital of the Group only comprises of ordinary shares.

As at 31 May 2025, the share capital and equity attributable to owners of equity of the Company amounted to approximately RM7.3 million and approximately RM29.4 million respectively (31 May 2024: RM6.0 million and RM30.3 million respectively). Details of the capital risk management are set out in the note 31 to the consolidated financial statements.

CAPITAL COMMITMENTS

Save for disclosed in note 39, the Group has no capital commitments in respect of the acquisition of property, plant and equipment as at 31 May 2025 and 31 May 2024.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

Since a substantial amount of income and profit of our Group is denominated in Malaysian Ringgit ("RM"), any fluctuations in the value of RM may adversely affect the amount of dividends, if any, payable in HKD to our Shareholders. Furthermore, fluctuations in the RM's value against other currencies will create foreign currency translation gains or losses and may have an adverse effect on our Group's business, financial condition and results of operations. Any imposition, variation or removal of foreign exchange controls may adversely affect the value, translated or converted into HKD, of our Group's net assets, earnings or any declared dividends. Consequently, this may adversely affect our Group's ability to pay dividends or satisfy other foreign exchange requirements. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arises.

資本架構

本集團的資本架構於年內概無變動。本集團的股本僅由普通股組成。

於2025年5月31日，本公司股權擁有人應佔股本及股權分別約為7.3百萬令吉及29.4百萬令吉（2024年5月31日：分別為6.0百萬令吉及30.3百萬令吉）。資本風險管理的詳情載於綜合財務報表附註31。

資本承擔

除附註39所披露者外，於2025年5月31日及2024年5月31日，本集團並無有關收購物業、廠房及設備的資本承擔。

匯率波動風險

由於本集團大部分收入及溢利均以馬來西亞令吉（「令吉」）計值，令吉價值的任何波動均可能會對以港元計值的應付股東股息（如有）金額造成不利影響。再者，令吉兌其他貨幣的價值波動將會產生外匯匯兌收益或虧損，並可能會對本集團的業務、財務狀況及經營業績造成不利影響。任何外匯管制的實施、變動或解除均可能會對將本集團的淨資產、盈利或任何已宣派股息換算或兌換成港元的價值造成不利影響。因此，這可能會對本集團派付股息或滿足其他外匯需求的能力造成不利影響。本集團將密切監控其外幣風險，並於需要時考慮對沖重大外幣風險。

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CHARGE OVER ASSETS OF THE GROUP

As at 31 May 2025, the Group had bank deposits pledged with banks totalling approximately RM1.2 million (31 May 2024: approximately RM0.2 million). These deposits were to secure general banking facilities granted to the Group.

SIGNIFICANT INVESTMENTS HELD

As at 31 May 2025, the Company did not have any significant investments held.

MATERIAL ACQUISITIONS AND DISPOSALS, AND PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

On 16 August 2024 (after trading hours), the Company entered into the sale and purchase agreement with the Vendor, pursuant to which the Wanshun Technology Industrial Group Limited (the “**Vendor**”) conditionally agreed to sell, and the Company conditionally agreed to acquire, the entire equity interest of the target company (a company to be incorporated in Hong Kong with limited liability which will hold the entire equity interest of a company incorporated in the PRC, which in turn holds the entire equity interest of Shenzhen Wanshunfu Smart Life Service Company Limited (“**Shenzhen Wanshunfu**”). The consideration is HK\$5.5 million and shall be satisfied by way of issue of the promissory note by the Company on the completion date. The consideration was determined by the parties after arm’s length negotiations with reference to the adjusted net asset value of Shenzhen Wanshunfu (assuming reorganisation has taken place), which is approximately HK\$5.53 million. Details of which, please refer to announcement dated 16 August 2024 and note 30 to the consolidated financial statement.

Save for disclosed above, there were no material acquisitions and disposals of subsidiaries and affiliated companies during the year ended 31 May 2025.

本集團的資產抵押

於2025年5月31日，本集團抵押予銀行的銀行存款合共約為1.2百萬令吉（2024年5月31日：約0.2百萬令吉）。該等存款乃抵押用作為授予本集團的一般銀行信貸提供擔保。

所持重大投資

於2025年5月31日，本公司並無持有任何重大投資。

重大收購及出售以及重大投資或資本資產計劃

於2024年8月16日（交易時段後），本公司與賣方訂立買賣協議，據此，Wanshun Technology Industrial Group Limited（「**賣方**」）有條件同意出售，且本公司有條件同意收購目標公司（一家將於香港註冊成立的有限公司，持有一家於中國註冊成立的公司的全部股權，而該公司持有深圳萬順福智慧生活服務有限公司（「**深圳萬順福**」）的全部股權）的全部股權。代價為5.5百萬港元，且將於完成日期由本公司以發行承兌票據的方式支付。代價乃由訂約方經參考深圳萬順福（假設重組已完成）的經調整資產淨值後公平磋商釐定，約為5.53百萬港元。詳情請參閱日期為2024年8月16日的公佈及綜合財務報表附註30。

除上文所披露者外，於截至2025年5月31日止年度，概無附屬公司及聯營公司的重大收購及出售事項。

MANAGEMENT DISCUSSION AND ANALYSIS

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On 1 August 2025 (after trading hours), Wanshun Technology Industrial Group Limited, a company incorporate in Hong Kong with limited liability (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd., a company incorporated in the PRC with limited liability (the “**Target Company**”), Gallant Empire Limited, a company incorporated in the British Virgin Islands and a directly wholly-owned by the Company (the “**Purchaser**”) entered into the Sale and Purchase Agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor (“**Sale Capital**”) for a total Consideration of HK\$34.874 million, which shall be settled issue of 1,215,630 new Shares to be allotted and issued by the Company to the Vendor credited as fully paid for the purpose of the settlement of the Consideration (the “**Consideration Shares**”). As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders’ approval requirement set out in the GEM Listing Rules. Details of which, please refer to announcement dated 1 August 2025. The transaction is not yet completed up to the date of this report.

Save for disclosed above, there is no specific future plan for material investments or capital assets as at the date of the report.

USE OF PROCEEDS FROM THE SHARE OFFER

The shares of the Company were listed on 19 July 2017 (the “**Listing Date**”) on the GEM by a way of a public offer and placing (collectively as the “**Share Offer**”) (the “**Listing**”). The net proceeds received by the Company from the Share Offer, after deducting underwriting fees and other expenses, were approximately HK\$29.6 million.

The net proceeds from the Listing have not been fully utilized up to the year ended 31 May 2025 in accordance with the expected timeline set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As disclosed in the Company’s announcement dated on 2 May 2024, having considered the latest business environment and development needs of the Group, the Board had resolved to change the use of unutilised proceeds from the Share Offer.

於2025年8月1日（交易時段後），Wanshun Technology Industrial Group Limited（一家於香港註冊成立的有限公司）（「**賣方**」）、深圳萬順叫車雲信息技術有限公司（一家於中國註冊成立的有限公司）（「**目標公司**」）及Gallant Empire Limited（一家於英屬處女群島註冊成立的公司，並由本公司直接全資擁有）（「**買方**」）訂立買賣協議，據此，買方同意購買而賣方同意出售由賣方合法及實益擁有的目標公司註冊資本的1%（「**銷售資本**」），總代價為34.874百萬港元，將透過本公司向賣方配發及發行1,215,630股入賬列作繳足的新股份以結算代價（「**代價股份**」）之方式結算。由於收購事項之一項或多項適用百分比率（定義見GEM上市規則）超過5%，但全部低於25%，故收購事項構成本公司之須予披露交易，須遵守申報及公佈規定，惟獲豁免遵守GEM上市規則所載之股東批准規定。詳情請參閱日期為2025年8月1日之公佈。截至本報告日期，該交易尚未完成。

除上文所披露者外，於本報告日期，概無重大投資或資本資產的特定未來計劃。

股份發售的所得款項用途

本公司股份於2017年7月19日（「**上市日期**」）以公開發售及配售形式（統稱「**股份發售**」）於GEM上市（「**上市**」）。本公司自股份發售所收取的所得款項淨額（經扣除包銷費及其他開支）約為29.6百萬港元。

直至截至2025年5月31日止年度，上市所得款項淨額並未根據招股章程「未來計劃及所得款項用途」一節所載預期時間表獲悉數動用。

誠如本公司日期為2024年5月2日的公佈所披露，經考慮本集團的最新業務環境及發展需要，董事會已議決更改股份發售未動用所得款項的用途。

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The following table sets out the net proceeds from the Share Offer, the reallocated unutilised proceeds and the utilised amount up to the year ended 31 May 2025.

下表載列股份發售所得款項淨額、重新分配的未動用所得款項及直至截至2025年5月31日止年度的已動用金額。

		Planned use of net proceeds from the Share Offer	Actual use of net proceeds from the Listing Date to 2 May 2024	Unutilised proceeds up to 2 May 2024	Reallocated unutilised proceeds as at 2 May 2024	Utilised amount after reallocation for the year ended 31 May 2024	Unutilised proceeds up to 31 May 2024	Actual use of net proceeds from the 1 June 2024 to 31 May 2025	Reallocated unutilised proceeds as at 31 May 2025	Expected timeframe for intended use
		自上市日期至2024年5月2日	自上市日期至2024年5月2日	直至2024年5月2日的未動用所得款項	於2024年5月2日重新分配的未動用所得款項	截至2024年5月31日止年度重新分配後的已動用金額	直至2024年5月31日的未動用所得款項	2024年6月1日至2025年5月31日所得款項淨額	於2025年5月31日重新分配的未動用所得款項	擬定用途的預期時間表
		股份發售的所得款項淨額的計劃用途	所得款項淨額的實際用途	5月2日的未動用所得款項	重新分配的未動用所得款項	已動用金額	5月31日的未動用所得款項	所得款項淨額的實際用途	重新分配的未動用所得款項	擬定用途的預期時間表
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	
Expansion of production capacity through	透過以下方式擴大產能									
(i) expanding our Existing Selangor Plant	(i) 擴充現有雪蘭莪廠房	7.0	(6.0)	1.0	-	-	-	-	-	
(ii) completing the establishment of our New Kulaijaya Plant and	(ii) 完成建立新古來再也廠房及	7.3	(2.4)	4.9	-	-	-	-	-	
(iii) recruiting new staffs (note b)	(iii) 招聘新員工 (附註b)	2.6	(2.2)	0.4	0.8	(0.2)	0.6	(0.6)	-	
Acquisition of a parcel of land in Southern Malaysia	收購馬來西亞南部的地塊	8.4	-	8.4	-	-	-	-	-	
Expansion of our business vertically in the supply chain of the precast concrete junction box industry through mergers and acquisitions	透過併購在預製混凝土接線盒行業的供應鏈垂直拓展業務	2.7	-	2.7	-	-	-	-	-	
Expansion of our sales and marketing team	擴大銷售及市場推廣團隊	0.8	(0.8)	0.0	-	-	-	-	-	
General working capital	一般營運資金	0.8	(0.8)	0.0	-	-	-	-	-	
Acquisition of land use right of the Land in Selangor, Malaysia	收購馬來西亞雪蘭莪的該地塊的土地使用權	-	-	0.0	13.2	(1.3)	11.9	(11.9)	-	
Development cost of self-used factory on the Land and purchase of equipment and fixtures	該地塊自用廠房的開發成本及購買設備及機械	-	-	0.0	3.4	-	3.4	-	3.4	Intended to use up the remaining funds by 31 May 2026 擬於2026年5月31日前悉數動用餘下資金
		29.6	(12.2)	17.4	17.4	(1.5)	15.9	(12.5)	3.4	

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Notes:

- (a) The unused Listing proceeds have been deposited in licensed banks in Malaysia and Hong Kong.
- (b) The funds have been utilized on recruiting and salaries of staffs for the expansion and renovation works.

As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds.

CONTINGENT LIABILITIES

As at 31 May 2024 and 31 May 2025, the Group had no material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 May 2025, we had 73 employees who are located in Malaysia, the Hong Kong Special Administrative Region and the PRC. The Group generally recruits employees from the open market by placing recruitment advertisements. The Group entered into individual labour contracts with each of the employees in accordance with the applicable labour laws of Malaysia, the Hong Kong Special Administrative Region and the PRC, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package that the Group offers to the employees includes salary, bonuses, allowances and medical benefits. In general, the Group determines a Director's and an employee's salary based on the Director's and the employee's qualifications, experience and capability and the prevailing market remuneration rate. The Group has designed a review system to assess the performance of our employees once a year, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions. The long term incentive scheme of the Group include a share option scheme.

附註：

- (a) 未動用的上市所得款項乃存置於馬來西亞及香港的持牌銀行。
- (b) 有關資金已就擴建及翻修工程有關的員工招聘及薪資結付而動用。

於本報告日期，董事預計有關所得款項用途的計劃不會出現任何變動。

或然負債

於2024年5月31日及2025年5月31日，本集團概無任何重大或然負債。

僱員及薪酬政策

於2025年5月31日，我們在馬來西亞、香港特別行政區及中國有73名僱員。本集團通常透過刊登招聘廣告從公開市場招聘僱員。本集團根據馬來西亞、香港特別行政區及中國的適用勞動法例與每名僱員訂立個別的勞工合約，當中涵蓋工資、僱員福利及終止理由等事宜。本集團向僱員提供的薪酬方案包括薪金、花紅、津貼及醫療福利。一般而言，本集團按照董事及僱員的資格、經驗及能力以及當前的市場薪酬水平釐定各董事及僱員的薪金。本集團已設計一個審核制度，以就僱員表現每年進行一次評估，此構成我們對薪金調整、花紅及晉升方面所作決定的基準。本集團長期激勵計劃包括一項購股權計劃。

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FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST TWELVE MONTHS

本公司於過去十二個月內的集資活動

Date of announcement	Fund raising activity	Net proceeds to be raised (approximately)	Proposed use of net proceeds	Actual use of net proceeds
公佈日期	集資活動	集資所得款項 淨額(約整)	所得款項淨額 擬定用途	所得款項淨額 實際用途
27 June 2024 (completed on 17 July 2024)	Subscription of new Shares under general mandate granted on 22 November 2023	HK\$2.10 million	For repayment of promissory note	Partially (HK\$1.5 million) used as intended and the remaining has not been utilized
2024年6月27日 (於2024年7月17日完成)	根據於2023年11月22日授出 的一般授權認購新股份	2.10百萬港元	用作償還承兌票據	部分(1.5百萬港元) 用作擬定用途及剩餘 部分尚未動用

Notes:

附註：

1. The remaining funds have been deposited in licensed banks in Malaysia and Hong Kong.
1. 餘下資金已存放於馬來西亞及香港持牌銀行。
2. The Group intended to use up the remaining fund by 31 May 2026.
2. 本集團擬於2026年5月31日前悉數動用餘下資金。

As at the date of this report, the Directors do not anticipate any change to the plan as to the remaining funds.

於本報告日期，董事預計有關餘下資金的計劃將不會出現任何變動。

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SUBSEQUENT EVENTS AFTER REPORTING PERIOD

On 1 August 2025 (after trading hours), Wanshun Technology Industrial Group Limited, a company incorporate in Hong Kong with limited liability (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd., a company incorporated in the PRC with limited liability (the “**Target Company**”), Gallant Empire Limited, a company incorporated in the British Virgin Islands and a directly wholly-owned by the Company (the “**Purchaser**”) entered into the Sale and Purchase Agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor (“**Sale Capital**”) for a total Consideration of HK\$34.874 million, which shall be settled issue of 1,215,630 new Shares to be allotted and issued by the Company to the Vendor credited as fully paid for the purpose of the settlement of the Consideration (the “**Consideration Shares**”). As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders’ approval requirement set out in the GEM Listing Rules. Details of which, please refer to announcement dated 1 August 2025.

On 1 August 2025 (after trading hours), the board of directors of the Company announces that the board lot size of the ordinary shares in the Company (the “**Share(s)**”) for trading on The Stock Exchange of Hong Kong Limited will be changed from 1,200 Shares to 400 Shares with effect from 9:00 a.m. on Friday, 22 August 2025. Details of which, please refer to announcements dated 1 August 2025 and 2 August 2025.

報告期後事項

於2025年8月1日（交易時段後），Wanshun Technology Industrial Group Limited（一家於香港註冊成立的有限公司）（「**賣方**」）、深圳萬順叫車雲信息技術有限公司（一家於中國註冊成立的有限公司）（「**目標公司**」）及Gallant Empire Limited（一家於英屬處女群島註冊成立的公司，並由本公司直接全資擁有）（「**買方**」）訂立買賣協議，據此，買方同意購買而賣方同意出售由賣方合法及實益擁有的目標公司註冊資本的1%（「**銷售資本**」），總代價為34.874百萬港元，將透過本公司向賣方配發及發行1,215,630股入賬列作繳足的新股份以結算代價（「**代價股份**」）之方式結算。由於收購事項之一項或多項適用百分比比率（定義見GEM上市規則）超過5%，但全部低於25%，故收購事項構成本公司之須予披露交易，須遵守申報及公佈規定，惟獲豁免遵守GEM上市規則所載之股東批准規定。詳情請參閱日期為2025年8月1日之公佈。

於2025年8月1日（交易時段後），本公司董事會宣佈，本公司普通股（「**股份**」）於香港聯合交易所有限公司買賣之每手買賣單位將由1,200股股份變更為400股股份，自2025年8月22日（星期五）上午九時正起生效。詳情請參閱日期為2025年8月1日及2025年8月2日之公佈。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

EXECUTIVE DIRECTORS

Mr. Loh Swee Keong, aged 59, is the founder of the Group. He was appointed to the Board on 28 October 2016 and is the chairman of the Nomination Committee of the Company. He is responsible for the overall business strategy, approving annual budget proposals, and major business decisions of the group. Mr. Loh has over 20 years of work experience in the precast concrete junction box industry. Mr. Loh completed his secondary school from five level education in Tsung Wah National Type Secondary School, Kuala Kangsar, Perak, Malaysia in November 1985.

Before establishing the group, Mr. Loh established a sole proprietorship under the name Jackson Trading in 1989, where he was primarily involved in the supply of ready-mix concrete to construction companies in Malaysia. In March 1993, Mr. Loh co-founded Target Precast, an indirect wholly-owned subsidiary of the Group which was at that time primarily involved in the supply of ready-mix concrete to construction companies, negotiating business with customers and responsible for the daily operations of the group. In 1995, Mr. Loh, for the first time, manufactured the moulds using the then existing technology for precast concrete junction boxes and commenced the production and manufacturing of precast junction concrete boxes to customers.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei (邱家禧), aged 43, was appointed as our Independent Non-executive Director of the Company with effect from 27 June 2017 and is a member of the Nomination Committee and the chairman of the Audit Committee and the Remuneration Committee of the Company. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants. He obtained his Bachelor's Degree of Business Administration in Business Economics from the City University of Hong Kong in November 2007. Mr. Yau has over 10 years experiences in accounting and auditing.

He is currently the finance manager of a Hong Kong company, which engages in energy trading business.

執行董事

Loh Swee Keong 先生，59歲，為本集團的創辦人。彼於2016年10月28日獲委任加入董事會，並為本公司提名委員會主席。彼負責整體業務策略、審批年度預算建議書及本集團的主要業務決策。Loh先生於預製混凝土接線盒行業擁有超過20年工作經驗。Loh先生於1985年11月於馬來西亞霹靂州江沙縣的Tsung Wah National Type Secondary School完成中學第五級課程。

於成立本集團前，Loh先生於1989年以Jackson Trading的名稱成立一家獨資企業，當中彼主要向馬來西亞的建築公司供應預拌混凝土。1993年3月，Loh先生共同創辦Target Precast（本集團的間接全資附屬公司），當時主要向建築公司供應預拌混凝土、與客戶洽談業務及負責本集團的日常營運。1995年，Loh先生採用當時現有技術首次製造預製混凝土接線盒模具，並開始為客戶生產及製造預製混凝土接線盒。

獨立非執行董事

邱家禧先生，43歲，獲委任為本公司獨立非執行董事，自2017年6月27日起生效，並為本公司提名委員會成員以及審核委員會及薪酬委員會主席。邱先生為香港會計師公會的會員。彼於2007年11月於香港城市大學取得工商管理（商業經濟學）學士學位。邱先生於會計及審計方面擁有逾10年經驗。

彼現時為一家香港公司的財務經理，從事能源交易業務。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

Mr. Ma, She Shing Albert (馬希聖), aged 65, graduated from Pomona College, California, USA with a Bachelor of Arts Degree in 1983. Mr. Ma possesses extensive experience in corporate banking and private banking in major USA and European financial institutions. He was previously a vice president of a renowned USA investment bank in Hong Kong. He is currently a general manager of Incu Corporate Finance Limited, a consulting firm, where he is responsible for office administration.

Ms. Yau Ka Ying (丘嘉榮), aged 37, obtained a Bachelor's degree of Business Administration in Tourism Management from Jinan University in 2009. Ms. Yau has 10 years of experience in marketing and she is currently a business and marketing consultant of a Hong Kong consultancy company since April 2022. Ms. Yau is also a commentator in Hong Kong Jockey Club.

SENIOR MANAGEMENT

Mr. Low Yew Kuan, aged 59, is the Head of Finance of the Malaysia's subsidiaries of the Group. He is responsible for the daily operations and the financial and accounting activities of the group. Mr. Low obtained his Bachelor's Degree in Business Administration from the RMIT University, Melbourne in Jan 2001. He was further admitted as a fellow of the Institute of Financial Accountants in the United Kingdom in June 2005 and the Institute of Public Accountants, Melbourne, Australia in June 2015. Mr. Low has over 30 years of experience in the manufacturing and accounting field.

Before joining our Group in January 2018, Mr. Low worked as Accounts Manager in the Finance Division of Viscount Plastics Industry Sdn Bhd for the period from February 1992 to May 2005. In June 2005, Mr. Low joined Lam Seng Plastics Sdn Bhd as Finance & Admin Manager. In May 2012, Mr. Low worked as Finance Manager of the Finance Department in KMC Packaging Sdn Bhd, a wholly-owned subsidiary of a Singaporean listed company. He was later promoted as Acting General Manager in year 2016. In 2016, Mr. Low joined Crown Beverage Cans (Malaysia) Sdn Bhd (a wholly-owned subsidiary of Crown which is listed on the New York Stock Exchange) as Head of Finance.

馬希聖先生，65歲，於1983年畢業於美國加州波莫納學院(Pomona College)，獲得文學士學位。馬先生於美國及歐洲大型金融機構的企業銀行及私人銀行領域擁有豐富經驗。彼曾擔任香港一家著名美國投資銀行之副總裁。彼現任衍丰企業融資有限公司(一間顧問公司)總經理，負責辦公室行政。

丘嘉榮女士，37歲，於2009年獲得暨南大學工商管理(旅遊管理)學士學位。丘女士擁有10年市場推廣經驗，自2022年4月起，彼現時為一家香港顧問公司的業務及市場推廣顧問。丘女士亦為香港賽馬會之評論員。

高級管理層

Low Yew Kuan先生，59歲，為本集團馬來西亞附屬公司的財務主管。彼負責集團的日常營運及財務和會計活動。Low先生於2001年1月於墨爾本的皇家墨爾本理工大學取得工商管理學士學位。彼於2005年6月進一步獲認許為英國財務會計師公會的資深會員，並於2015年6月獲認許為澳洲墨爾本公共會計師公會的資深會員。Low先生於製造及會計業擁有超過30年經驗。

於2018年1月加入本集團前，Low先生於1992年2月至2005年5月期間於Viscount Plastics Industry Sdn Bhd的財務部任職會計經理。2005年6月，Low先生加入Lam Seng Plastics Sdn Bhd，任職財務及行政經理。2012年5月，Low先生任職KMC Packaging Sdn Bhd(一間新加坡上市公司全資擁有的附屬公司)財務部的財務經理。彼其後於2016年晉升為總經理(代行)。於2016年，Low先生加入Crown Beverage Cans (Malaysia) Sdn Bhd(一間紐約證券交易所上市公司Crown全資擁有的附屬公司)，任職財務總監。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

Mr. Leung Tze Wai (梁子煒), aged 42, was appointed as the Company Secretary on 1 November 2018. He holds a Bachelor Degree of Commerce (Accounting) from the University of Adelaide, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia and is currently the Finance Manager of the Company. He has over 10 years' experience in the auditing, accounting and financial sectors.

Ms. Siew Poi Voon, aged 49 is the Factory Manager. She is responsible for overseeing the manufacturing and operations of the production activities of the Group. Ms. Siew joined the Group as a Human Resource and Administration Executive in March 2013 and was promoted as our Assistant Factory Manager in April 2015. Ms. Siew was subsequently appointed as our Factory Manager in August 2016. Ms. Siew obtained a Bachelor's Degree in Human Development from the University Putra Malaysia in July 2001.

From August 2001 to March 2003, Ms. Siew worked as the Human Resource Officer of YP Precision (M) Sdn. Bhd. where she was responsible for general human resource functions which include payroll, training and development, recruitment as well as matters pertaining to foreign workers in the company. She subsequently joined the Delcol Water Solution Sdn. Bhd. in April 2003 as a Human Resource Executive. In December 2007, Ms. Siew joined Jordone Corporation Sdn. Bhd. as a Human Resource and Administration Executive. She was subsequently promoted to the post of Assistant Administrative Manager in August 2009 where she was responsible for the company's purchasing, advertising and branding (including media and branding) as well as general administration duties.

梁子煒先生，42歲，已於2018年11月1日獲委任為公司秘書。彼持有澳洲阿德雷德大學商業（會計）學士學位。彼為香港會計師公會會員及澳洲執業會計師公會會員以及現任本公司財務經理。彼於審計、會計及財務領域擁有逾10年經驗。

Siew Poi Voon女士，49歲，為廠長。彼負責監督本集團的製造事宜及生產活動營運。Siew女士於2013年3月加入本集團任職人力資源及行政主任，並於2015年4月晉升為我們的助理廠長。Siew女士其後於2016年8月獲委任為廠長。Siew女士於2001年7月從馬來西亞博特拉大學獲得人力資源發展學士學位。

於2001年8月至2003年3月，Siew女士擔任YP Precision (M) Sdn. Bhd.的人力資源主任，負責一般人力資源職能，當中包括發薪、培訓和發展、招聘以及與公司的外國工人有關的事宜。彼其後於2003年4月加入Delcol Water Solution Sdn. Bhd.任職人力資源主任。2007年12月，Siew女士加入Jordone Corporation Sdn. Bhd.任職人力資源及行政主任。彼後來於2009年8月晉升至助理行政經理的職位，負責公司的採購、廣告宣傳及品牌推广（包括媒體及品牌推广）以及一般行政職責。

REPORT OF THE DIRECTORS

董事會報告

The Board is pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 May 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company's subsidiaries are set out in note 35 to the consolidated financial statements. The Group is principally engaged in (i) manufacturing and trading of precast junction boxes, (ii) trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia and (iii) e-commerce platform in PRC.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any relief from taxation to which the Shareholders are entitled by reason of their holding of the Shares.

CORPORATE GOVERNANCE

Details of the corporate governance practices adopted by the Company are set out in the "Corporate Governance Report" on pages 37 to 58 of this annual report.

SEGMENT INFORMATION

Analysis of the Group's turnover and contribution by principal business segments during the Year are set out in note 5 to the consolidated financial statements.

CHANGE OF COMPANY'S NAME

On 10 October, 2024, the English name of the Company was changed from "SK Target Group Limited" to "WS-SK Target Group Limited" and the dual foreign name in Chinese of the Company "瑞強集團有限公司" was changed to "萬順瑞強集團有限公司". The English and Chinese stock short name of the Company were subsequently changed to "WS-SK TARGET" and "萬順瑞強集團" with effect from 9:00 a.m. on 11 November, 2024. For further details, please refer to the announcements of the Company dated 11 September 2024, 4 October 2024 and 1 November 2024 and the circular of the Company dated 16 September 2024.

董事會欣然提呈其年報，連同本集團截至2025年5月31日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司附屬公司的主要業務及其他詳情載於綜合財務報表附註35。本集團主要於馬來西亞從事(i)預製接線盒的製造及貿易；(ii)配件及管道貿易以及提供移動式起重機租賃及配套服務；及(iii)於中國從事電子商務平台。

遵守相關法例及規例

年內，本集團一直遵守對其業務有重大影響的相關法例及規例。

上市證券持有人的稅務寬減及豁免

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

企業管治

本公司採納的企業管治常規詳情載於本年報第37至58頁的「企業管治報告」。

分部資料

本集團於年內的主要業務分部營業額及貢獻的分析載於綜合財務報表附註5。

變更公司名稱

於2024年10月10日，本公司的英文名稱已由「SK Target Group Limited」改為「WS-SK Target Group Limited」，而本公司雙重外文的中文名稱已由「瑞強集團有限公司」改為「萬順瑞強集團有限公司」。本公司的中英文股份簡稱隨後改為「WS-SK TARGET」及「萬順瑞強集團」，自2024年11月11日上午九時正起生效。進一步詳情請參閱本公司日期為2024年9月11日、2024年10月4日及2024年11月1日的公告及本公司日期為2024年9月16日的通函。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW

Details of business review of the Group for the year ended 31 May 2025 is set out in the section headed “Chairman’s Statement” on pages 6 to 7 and the business review and outlook of the Group is set out in the section headed “Management Discussion and Analysis” on pages 8 to 19 of this annual report. The discussion and analysis of the Group’s performance during the year and the material factor underlying its financial performance and financial position are set out in “Management Discussion and Analysis” on pages 8 to 19 respectively.

RESULTS AND DIVIDENDS

The result of the Group for the year ended 31 May 2025 and the state of the affairs of the Group as at that date are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 66 to 67.

The Board does not recommend the payment of final dividend for the year ended 31 May 2025 (2024: Nil).

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

FINANCIAL SUMMARY

A summary of published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statement, is set out on page 168 on this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

業務回顧

本集團截至2025年5月31日止年度的業務回顧詳情載於本年報第6至7頁的「主席報告書」一節，而本集團的業務回顧及前景則載於第8至19頁的「管理層討論及分析」一節。本集團年內表現的討論及分析以及有關其財務表現及財務狀況的重大因素分別載於第8至19頁的「管理層討論及分析」。

業績及股息

本集團截至2025年5月31日止年度的業績及其於該日的事務狀況載於第66至67頁的綜合損益及其他全面收益表。

截至2025年5月31日止年度，董事會不建議派付末期股息（2024年：無）。

概無本公司股東放棄或同意放棄任何股息的安排。

財務概要

本集團於過去五個財政年度刊發的業績、資產及負債概要（摘錄自經審核財務報表）載於本年報第168頁。此概要並非經審核綜合財務報表的一部分。

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註14。

REPORT OF THE DIRECTORS

董事會報告

SHARE CAPITAL

Details of the Company's share capital and movements during the Year are set out in note 28 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in the Consolidated Statement of Financial Position and in the Consolidated Statement of Changes in Equity set out on pages 68 to 70 respectively.

DISTRIBUTION RESERVES

As at 31 May 2025, the Company's reserve available for distribution which consists of retained profit and the aggregate amount of reserves available for distribution to equity shareholders of the Company is RM21.3 million (2024: RM21.2 million).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the law of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 May 2025.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises that our employees, customers and suppliers are key stakeholders to the Group's success. The Group strive to achieve corporate sustainability through engaging employees, providing quality products and services to our customers, collaborating with suppliers to deliver quality sustainable products and services and supporting our community.

股本

本公司的股本及年內變動詳情載於綜合財務報表附註28。

儲備

本公司及本集團於年內的儲備變動詳情分別載於第68至70頁所載的綜合財務狀況表及綜合權益變動表。

分派儲備

於2025年5月31日，本公司可分派儲備包括保留溢利及可分派予本公司權益股東的儲備總額為21.3百萬令吉(2024年：21.2百萬令吉)。

優先購買權

本公司組織章程細則或開曼群島法例並無有關優先購買權的條文，致使本公司須按比例向現有股東發售新股。

購買、出售或贖回上市證券

截至2025年5月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

與利益相關者的關係

本集團瞭解，僱員、客戶及供應商為本集團取得成功的關鍵利益相關者。本集團透過激勵僱員、向客戶提供優質產品及服務、與供應商合作以提供優質及可持續的產品及服務，以及支持社區發展，致力實現企業可持續性。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the top five customers together accounted for approximately 16% of the Group's revenue and the Group's largest customer accounted for approximately 6% of the Group's revenue.

During the Year, the top five suppliers together accounted for approximately 41% of the Group's purchases and the Group's largest supplier accounted for approximately 15% of the Group's purchases.

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in these major customers and suppliers.

DIRECTORS

During the Year and up to the date of this annual report, the Directors were:

Executive Directors

Mr. Loh Swee Keong (*Chairman and Chief Executive Officer*)

Independent Non-Executive Directors

Mr. Yau Ka Hei

Mr. Ma, She Shing Albert

Ms. Yau Ka Ying (appointed on 6 August 2025)

Mr. Kwok Tsz Hin (resigned on 2 December 2024)

Ms. Chan Sheung Yu (appointed on 2 December 2024 and resigned on 6 August 2025)

By virtue of Article 108 of the articles of association of the Company, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying shall retire at the forthcoming AGM and, being eligible, shall offer themselves for re-election at the said meeting.

主要客戶及供應商

年內，五大客戶合共佔本集團收入約16%，而本集團最大客戶則佔本集團收入約6%。

年內，五大供應商合共佔本集團採購額約41%，而本集團最大供應商則佔本集團採購額約15%。

概無董事、彼等任何緊密聯繫人或任何股東（據董事所盡悉，擁有超過本公司已發行股本的5%）於該等主要客戶及供應商擁有任何實益權益。

董事

於年內及直至本年報日期為止，董事為：

執行董事

Loh Swee Keong 先生（主席兼行政總裁）

獨立非執行董事

邱家禧先生

馬希聖先生

丘嘉榮女士（於2025年8月6日獲委任）

郭子軒先生（於2024年12月2日辭任）

陳湘洳女士（於2024年12月2日獲委任及於2025年8月6日辭任）

根據本公司組織章程細則第108條，馬希聖先生及丘嘉榮女士將於應屆股東週年大會上退任，而彼等符合資格及願意於該大會上重選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACT

The Executive Director, namely Mr. Loh Swee Keong has entered into a service or an appointment contract with the Company for a fixed term of three years, which may be terminated by not less than three months' written notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in Articles.

Each of the Independent Non-executive Directors has entered into a service contract or an appointment letter with the Company for a fixed term of one to three years, which may be terminated by not less than one month's written notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in Articles.

None of the Directors (including those proposed for re-election at the forthcoming annual general meeting) has a service contract or an appointment letter which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographies details of Directors and senior management are set out on pages 20 to 22.

DIRECTORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID INDIVIDUALS' REMUNERATION

Details of the Directors' remuneration and the five highest paid individual's remuneration are set out in notes 6 and 7 to the consolidated financial statements.

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year and at any time during the year ended 31 May 2025.

董事的服務合約

執行董事(即Loh Swee Keong先生)已與本公司訂立服務合約或委任書,固定年期為期三年,可由任何一方向另一方發出不少於三個月的書面通知終止,並須受當中所述終止條文及細則所載董事輪值退任條文所規限。

各獨立非執行董事已與本公司訂立服務合約或委任書,固定年期為期一至三年,可由任何一方向另一方發出不少於一個月的書面通知終止,並須受當中所述終止條文及細則所載董事輪值退任條文所規限。

概無董事(包括於應屆股東週年大會上獲提名重選連任的董事)訂有本集團不可於一年內終止而不作補償(法定補償除外)的服務合約或委任書。

董事及高級管理層履歷詳情

董事及高級管理層履歷詳情載於第20至22頁。

董事、主要行政人員及五名最高薪酬人士的薪酬

董事及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註6及7。

董事於交易、安排及合約的權益

本公司或其任何附屬公司概無訂立一名董事直接或間接於其中擁有重大權益,並且於年終及截至2025年5月31日止年度任何時間仍然生效的重大交易、安排或合約。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS OF CONTROLLING SHAREHOLDERS IN CONTRACTS

No contract of significance has been entered during the year ended 31 May 2025 between the Company or any of its subsidiaries and the controlling shareholders or any its subsidiaries.

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into or existed during the year ended 31 May 2025.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 May 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as of the date of this report, there is sufficient public float or not less than 25% of the Shares are in the hands of the public as required under the GEM Listing Rules.

COMPETING BUSINESS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at 31 May 2025, none of the Directors, nor the controlling shareholders of the Company and any of their respective close associates has any interest in a business which competes or likely to compete, either directly or indirectly, with the business of the Group.

控股股東於合約的權益

截至2025年5月31日止年度，本公司或其任何附屬公司及控股股東或其任何附屬公司概無訂立任何重大合約。

截至2025年5月31日止年度，概無就本公司或其任何附屬公司控股股東向本公司或其任何附屬公司提供服務而訂立或存續任何重大合約。

管理合約

截至2025年5月31日止年度，概無訂立或存續有關本公司全部或任何大部分業務的管理及行政合約。

足夠公眾持股量

根據本公司公開可得資料及就董事所知，截至本報告日期，本公司有足夠公眾持股量或不少於25%股份按GEM上市規則規定由公眾持有。

董事及控股股東之競爭業務

於2025年5月31日，概無董事、本公司控股股東及彼等各自的任何緊密聯繫人在與本集團業務造成或可能造成直接或間接競爭的業務中擁有任何權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATION

As at 31 May 2025, the interests and short position of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉

於2025年5月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的權益及淡倉，或(iii)根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

Ordinary Shares of the Company

本公司普通股

Name	Capacity/ Nature of Interest	Number of issued ordinary shares held/ interested (Note 1) 所持／擁有 權益之已發行 普通股數目 (附註1)	Approximate percentage of issued share capital of the Company 佔本公司 已發行股本 概約百分比
姓名	身份／權益性質		

Mr. Loh Swee Keong (Note 2)
Loh Swee Keong 先生 (附註2)

Interest in controlled corporation
受控制法團權益

2,911,200 (L)

17.80%

Notes:

- (1) The letter (L) denotes the person's long interest in the Shares.
- (2) Merchant World Investments Limited is a company incorporated in the BVI and is wholly-owned by Mr. Loh Swee Keong. Mr. Loh Swee Keong is deemed to be interested in all the Shares held by Merchant World Investments Limited for the purpose of the SFO.

附註：

- (1) 英文字母(L)表示該人士於股份的好倉。
- (2) Merchant World Investments Limited為一家於英屬處女群島註冊成立的公司，並由Loh Swee Keong先生全資擁有。根據證券及期貨條例，Loh Swee Keong先生被視為由Merchant World Investments Limited持有的全部股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

Save for disclosed above, as at 31 May 2025, none of the Directors and chief executive of the Company had any interests or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provision of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

除上文所披露者外，於2025年5月31日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的任何權益或淡倉，或(iii)根據GEM上市規則第5.46條所述本公司董事進行交易的規定標準須知會本公司及聯交所的任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

As at 31 May 2025, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 and SFO were as follows:

於2025年5月31日，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉，或須記錄於根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉如下：

REPORT OF THE DIRECTORS

董事會報告

ORDINARY SHARES OF THE COMPANY

本公司普通股

Name	Capacity/Nature of Interest	Number of Shares held/interested (Note 1) 所持／擁有 權益之股份數目 (附註1)	Approximate percentage of share holding 概約股權 百分比
姓名／名稱	身份／權益性質		
Merchant World Investments Limited	Beneficial owner 實益擁有人	2,911,200 (L)	17.80%
Ms. Woon Sow Sum (Note 2) Woon Sow Sum 女士 (附註2)	Interest of spouse 配偶權益	2,911,200 (L)	17.80%
Greater Elite Holdings Limited (Note 3) Greater Elite Holdings Limited (附註3)	Beneficial owner 實益擁有人	2,124,210 (L)	12.99%
Mr. Law Fung Yuen Paul (Note 3) 羅鳳原先生 (附註3)	Interest in controlled corporation 受控制法團權益	2,124,210 (L)	12.99%
Ms. Cheng Lai Wah Christina (Note 4) 鄭麗華女士 (附註4)	Interest of spouse 配偶權益	2,124,210 (L)	12.99%
Mr. Lei Meng Fong 李明峰先生	Beneficial owner 實益擁有人	2,725,272 (L)	16.67%
Mr. Choy Sheung Ki Gary 蔡尚圻先生	Beneficial owner 實益擁有人	1,032,300 (L)	6.31%

Notes:

附註：

(1) The letter (L) denotes the person's long interest in the Shares. (2) Ms. Woon Sow Sum is the spouse of Mr. Loh Swee Keong and is deemed, or taken to be interested in all Shares in which Mr. Loh Swee Keong has interest under the SFO. (3) Greater Elite Holdings Limited is a company incorporated in the BVI and is wholly-owned by Mr. Law Fung Yuen Paul. Mr. Law Fung Yuen Paul is deemed to be interested in all the Shares held by Greater Elite Holdings Limited for the purpose of the SFO. (4) Ms. Cheng Lai Wah Christina is the spouse of Mr. Law Fung Yuen Paul and is deemed, or taken to be interested in all Shares in which Mr. Law Fung Yuen Paul has interest under the SFO.	(1) 英文字母(L)表示該人士於股份的好倉。 (2) Woon Sow Sum 女士為Loh Swee Keong 先生的配偶，根據證券及期貨條例被視為或當作於Loh Swee Keong先生擁有權益的所有股份中擁有權益。 (3) Greater Elite Holdings Limited 為一家於英屬處女群島註冊成立的公司，並由羅鳳原先生全資擁有。根據證券及期貨條例，羅鳳原先生被視為於Greater Elite Holdings Limited持有的全部股份中擁有權益。 (4) 鄭麗華女士為羅鳳原先生的配偶，根據證券及期貨條例，彼被視為或當作於羅鳳原先生擁有權益的所有股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

Save for disclosed above, as at 31 May 2025, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full time and part time), or any member of the Group, including any Executive, Non-executive Directors and Independent Non-executive Directors, advisors, consultants of the Group.

The Company adopted the Share Option Scheme on 27 June 2017 whereby the Board is authorised, at its absolute discretion and subject to the terms of the Share Option Scheme, to grant options to the Eligible Participants to subscribe for the shares of the Company. The Share Option Scheme will be valid and effective for a period of ten years from the date of the adoption of the Scheme.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the date of the shares of the Company listed on the GEM, being 62,000,000 shares (or such numbers of shares as shall result from a subdivision or a consolidation of such 62,000,000 from time to time) (the “**Scheme Limit**”). Subject to shareholders’ approval in a general meeting, the Board may (i) renew this limit at any time to 10% of the shares in issue as at the date of the approval by the shareholders in a general meeting; and/or (ii) grant options beyond the Scheme Limit to Eligible Participants specifically identified by the Board.

除上文所披露者外，於2025年5月31日，本公司並無得悉任何人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

購股權計劃

購股權計劃旨在吸引及挽留最優秀的人員，以及向本集團全職及兼職僱員或任何成員（包括本集團任何執行董事、非執行董事、獨立非執行董事、顧問及諮詢人）提供額外獎勵。

於2017年6月27日，本公司採納購股權計劃，據此，董事會獲授權按其絕對酌情權，依照購股權計劃的條款向合資格參與人士授出可認購本公司股份的購股權。購股權計劃將由採納該計劃當日起計十年期間有效及生效。

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的最高股份數目合共不得超過本公司股份於GEM上市日期後已發行股份總數的10%，即62,000,000股股份（或因不時拆細或合併該62,000,000股股份而產生的有關股份數目）（「**計劃上限**」）。待於股東大會上取得股東批准後，董事會可(i)隨時將此上限更新至於股東在股東大會上批准當日已發行股份的10%；及／或(ii)向董事會特別選定的合資格參與人士授出超過計劃上限的購股權。

REPORT OF THE DIRECTORS

董事會報告

The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the limit being exceeded.

The total number of shares issuable upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Participants in any twelve months period shall not exceed 1% of the shares in issue. Any further grant of options is subject to shareholders' approval in general meeting with such Eligible Participants and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant to the provisions of early termination thereof.

An offer for the grant must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an options is HKD1.

Pursuant to the Share Option Scheme, the participants may subscribe for the shares of the Company on exercise of an option at the price determined by the Board provided that it shall be at least the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

As at 31 May 2025, no share option was granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

因根據購股權計劃及本公司任何其他購股權計劃已授出及尚未行使的所有尚未行使購股權獲行使而可能發行的股份數目，於任何時候不得超過不時已發行股份的30%。倘根據本公司的任何計劃（包括購股權計劃）授出購股權將導致超出上限，則不得授出購股權。

於任何12個月期間，且根據購股權計劃及本公司任何其他購股權計劃向各參與人士授出的購股權獲行使而可予發行的股份總數不得超過已發行股份的1%。任何額外授出購股權須於股東大會上獲股東批准，而有關合資格參與人士及其聯繫人須放棄投票。

購股權可於董事會可能釐定而不得超過授出日期起計十年的期間內，在有關提前終止條文的規限下，隨時根據購股權計劃的條款行使。

授出要約必須於七日內（包括作出該要約的日期）獲接納。購股權承授人於接納授出購股權的要約時應向本公司支付1港元。

根據購股權計劃，參與人士可按董事會釐定的價格行使購股權認購本公司股份，惟該價格不得低於下列最高者：(i) 於授出當日（該日須為營業日）的聯交所每日報價表所列股份的收市價；(ii) 於緊接授出日期前五個營業日的聯交所每日報價表所列股份的平均收市價；及(iii) 股份面值。

於2025年5月31日，概無購股權根據本公司的購股權計劃授出、獲行使、失效或註銷。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save for disclosed above, at no time during the year ended 31 May 2025 was the Company, its or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executives (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

THE ISSUE OF NEW SHARES UNDER GENERAL MANDATE

On 27 June 2024 (after trading hours), the Company entered into the subscription agreement with the Mr. Lei Meng Fong (the "Subscriber"), who is a merchant and independent third party (as defined under GEM Listing Rules). Pursuant to which the Company will allot and issue, and the Subscriber will subscribe for, an aggregate of 27,252,720 subscription shares at the subscription price of HK\$0.08 per share. The net proceed from the subscription after deducting related professional fees and related expenses approximately HK\$2,100,000 (equivalent to approximately RM1,192,000). The subscription was completed on 17 July 2024. Details of which are set out in the announcements dated 27 June 2024 and 17 July 2024.

CONNECTED TRANSACTIONS

During the year ended 31 May 2025, there are no connected transactions or continuing connected transactions of the Company (as defined under Chapter 20 of the GEM Listing Rules) which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules. Details of the significant related party transactions undertaken in the usual course of business are set out in note 37 to the consolidated financial statements. None of these related party transactions constitute a connected transaction or a continuing connected transaction, which needs to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules.

RETIREMENT BENEFITS PLAN

Details of the retirement benefits plan of the Group as at 31 May 2025 are set out in the note 6 to the consolidated financial statements.

董事收購股份或債權證的權利

除上文所披露者外，於截至2025年5月31日止年度任何時間，本公司、其任何控股公司或其任何附屬公司並無訂立任何安排，致使董事及主要行政人員（包括彼等的配偶及18歲以下的子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中持有任何權益或淡倉。

根據一般授權發行新股份

於2024年6月27日（交易時段後），本公司與李明峰先生（「認購人」，其為一名商人及獨立第三方（定義見上市規則））訂立認購協議，據此，本公司將按認購價每股0.08港元配發及發行，而認購人將認購合共27,252,720股認購股份。認購事項之所得款項淨額（經扣除相關專業費用及相關開支後）約為2,100,000港元（相當於約1,192,000令吉）。認購事項於2024年7月17日完成。具體內容詳見2024年6月27日及2024年7月17日的公告。

關連交易

截至2025年5月31日止年度，本公司並無須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易（定義見GEM上市規則第20章）。於日常業務過程中進行的重大關連方交易詳情載於綜合財務報表附註37。概無該等關連方交易構成須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易。

退休福利計劃

本集團於2025年5月31日的退休福利計劃詳情載於綜合財務報表附註6。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

Pursuant to the memorandum and articles of association (“Articles of Association”) of the Company, the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in the execution of their duties in their offices. The Company has arranged appropriate Directors’ and officers’ liability insurance coverage for the Directors and officers of the Group.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme are set out above, the Company has not entered into any equity-linked arrangement during the Year.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Company recognised its responsibility to protect the environment from its business activities. The Company is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental practices to ensure our business meet the required standards and ethics in respect of environmental protection.

DONATION

During the Year, the Group had made charitable and other donation for approximately RM95,940 (2024: RM27,840).

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-executive Directors a confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the Independent Non-executive Directors were independent during their tenure during the Year.

獲准許彌償條文

根據本公司的組織章程大綱及細則（「組織章程細則」）以及適用法例及規例，各董事將獲以本公司資產及溢利作為彌償保證，並確保其不會因彼等或彼等任何一方於執行彼等於有關職位的職責時可能招致或遭受的一切訴訟、費用、收費、損失、損害及開支而受到損害。本公司已為董事及本集團的高級職員安排購買適當的董事及高級職員責任保險。

股本掛鈎協議

除上文所載購股權計劃外，本公司於年內並無訂立任何股本掛鈎協議。

環保政策及表現

本公司深知其於業務活動中負有保護環境的責任。本公司力求實現環境及社會的可持續發展。本集團一直致力遵守有關環保的法例及規例，並採用有效的環保政策，以確保其業務符合環保方面的所需標準及操守。

捐贈

年內，本集團已作出慈善及其他捐贈約95,940令吉（2024年：27,840令吉）。

獨立性確認書

本公司已收到各獨立非執行董事根據GEM上市規則第5.09條發出的獨立性確認書，並認為全體獨立非執行董事於年內於其任期內均為獨立人士。

REPORT OF THE DIRECTORS

董事會報告

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2025 AGM to be held on Friday, 21 November 2025, the register of members of the Company will be closed from Tuesday, 18 November 2025 to Friday, 21 November 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2025 AGM or any adjournment thereof, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investors Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 17 November 2025.

AUDITORS

The financial statements for the year ended 31 May 2025 have been audited by McMillan who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of McMillan as auditor of the Company will be proposed at the forthcoming AGM.

By Order of the Board

WS-SK Target Group Limited

Loh Swee Keong

Chairman

Hong Kong, 29 August 2025

暫停辦理股份過戶登記手續

為確定出席本公司將於2025年11月21日（星期五）舉行的2025年股東週年大會及在會上投票的資格，本公司將由2025年11月18日（星期二）至2025年11月21日（星期五）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會進行股份過戶登記。為符合資格出席2025年股東週年大會或其任何續會並於會上投票，所有過戶文件連同有關股票，最遲須於2025年11月17日（星期一）下午四時三十分前，送交本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓，辦理登記手續。

核數師

截至2025年5月31日止年度的財務報表已由長青審核，其將告退並符合資格及願意接受續聘。重新委任長青為本公司核數師的決議案將於應屆的股東週年大會上提呈。

承董事會命

萬順瑞強集團有限公司

主席

Loh Swee Keong

香港，2025年8月29日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board and the senior management of the Group is committed to achieve a high standard of corporate governance, to formulate good corporate governance practices for improving the accountability and transparency in operations, and to strengthen the internal control and risk management systems from time to time so as to protect the rights of the shareholders and enhance shareholder value. The Directors consider that good corporate governance provides a framework that is crucial for effective management, successful business growth and a healthy corporate culture which in return benefits the Group's stakeholders as a whole.

The Board has adopted and save as disclosed in the following paragraph complied with the principles and code provisions set out in the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules. The Directors will continue to review and monitor its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Group.

Under the code provision A.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established.

Mr. Loh is the chairman of the Board and the chief executive officer of the Company. In view of Mr. Loh has been operating and managing the operating subsidiaries of the Group since 1993, the Board believes that it is in the best interest of the Group to have Mr. Loh taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

Save as disclosed above, during the year in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

企業管治常規

本集團董事會及高級管理層致力達致高標準的企業管治水平，制定良好的企業管治常規以改善營運的問責性及透明度，並不時加強內部監控及風險管理系統，以保障股東權利及提升股東價值。董事認為，良好的企業管治為有效的管理、成功的業務發展及健全的企業文化提供至關重要的框架，從而令本集團利益相關者整體受惠。

董事會已採納及除以下段落所披露者外，遵守GEM上市規則附錄十五所載的企業管治守則（「企業管治守則」）載列的原則及守則條文。董事將繼續檢討及監察其企業管治常規，以提高企業管治標準，遵守不時收緊的監管要求，以及滿足本集團股東及其他利益相關者日益提高的期望。

根據企業管治守則守則條文第A.2.1條，主席及行政總裁的職務應予區分，並不應由同一人士擔任。主席與行政總裁之間職務的分工應予清晰界定。

Loh先生為本公司董事會主席兼行政總裁。鑒於Loh先生自1993年起一直經營及管理本集團的營運附屬公司，故董事會相信，由Loh先生兼任兩個職位以達致有效的管理及業務發展乃符合本集團的最佳利益。因此，董事認為，偏離企業管治守則條文第A.2.1條在該情況下乃屬合適。

除上文所披露者外，董事認為，於年內本集團一直遵守企業管治守則的守則條文。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and all Directors confirmed that they have complied with the required standards of dealings and the code of conduct regarding securities transactions by the Directors for the year ended 31 May 2025.

BOARD OF DIRECTORS

The Board currently comprises four Directors, including one Executive Director, namely Mr. Loh Swee Keong and three Independent Non-executive Directors who are Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying.

Mr. Loh Swee Keong is the chairman (the “**Chairman**”) of the Board.

OVERALL ACCOUNTABILITY

The Board is committed to providing effective and responsible leadership for the Company. The Board is accountable to the Shareholders and in discharging its corporate accountability. The Directors, individually and collectively, must act in good faith and in the best interests of the Company and the Shareholders and fulfill his fiduciary duties by applying the required level of skills, care and diligence to a standard in accordance with the statutory requirements. The Board has the full support from the Directors and the senior management of the Company to discharge its responsibilities.

The biographical details of the Directors and other senior management are set out in the section headed with “Directors and Senior Management Profiles” of this report.

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載規定交易準則。本公司亦已向全體董事作出具體查詢，而全體董事確認彼等於截至2025年5月31日止年度一直遵守有關董事進行證券交易的規定交易準則及行為守則。

董事會

董事會目前由四名董事組成，其中包括一名執行董事（即Loh Swee Keong先生）及三名獨立非執行董事（分別為邱家禧先生、馬希聖先生及丘嘉榮女士）。

Loh Swee Keong先生為董事會主席（「**主席**」）。

全面問責

董事會致力為本公司提供有效及負責任的領導。董事會對股東負責，並履行其企業責任。董事須個別及共同地為本公司及股東的最佳利益真誠行事，並按照符合法定規定的標準應用必要水平的技能，謹慎盡忠地履行其董事受信責任。本公司董事及高級管理層會全力支持董事會履行職責。

董事及其他高級管理層的履歷詳情載於本報告「董事及高級管理層簡介」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD RESPONSIBILITIES

The Board is responsible for formulating the Group's policies and business plans, and monitoring internal controls and performances. The overall management of the Company's business is vested in the Board which assumes the responsibility for promoting the success of the Company by supervising its affairs. The Board focuses on formulating the Group's overall strategies, approving the annual development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control system and supervising the management's performance. Regarding the Group's corporate governance, the Board is responsible for performing following duties:

- (a) determine and review the policies and practices on corporate governance of the Group and make recommendations;
- (b) review and monitor the training and continuous professional development of Directors and senior management;
- (c) review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

CG Code provision A.2.1 stipulates that the roles of chairman of the Board and chief executive should be separate and should not be performed by the same individual. Mr. Loh is the chairman of the Board and the chief executive officer of the Company. In view of Mr. Loh has been operating and managing the operating subsidiaries of the Group since 1993, the Board believes that it is in the best interest of the Group to have Mr. Loh taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

董事會責任

董事會負責制定本集團的政策及業務計劃，以及監察內部監控及表現。本公司的整體業務由董事會負責管理。董事會負責監督本公司的事務，以促使其取得成功。董事會專注制定本集團的整體策略、審批年度發展計劃及預算；監察財務及營運表現；檢討內部監控系統的成效及監督管理層的表現。就本集團的企業管治而言，董事會負責履行以下職責：

- (a) 釐定及檢討本集團的企業管治政策及常規，並提出推薦建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察適用於僱員及董事的行為準則及合規手冊(如有)；及
- (e) 檢討本公司遵守企業管治守則的情況及於企業管治報告內披露。

主席及行政總裁

企業管治守則條文第A.2.1條訂明，董事會主席及行政總裁的職務應予區分，不應由同一人士擔任。Loh先生為本公司董事會主席兼行政總裁。鑒於Loh先生自1993年起一直經營及管理本集團的營運附屬公司，故董事會相信，由Loh先生兼任兩個職位以達致有效的管理及業務發展乃符合本集團的最佳利益。因此，董事認為，偏離企業管治守則條文第A.2.1條在該情況下乃屬合適。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy (the “**Board Diversity Policy**”) and setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Board Diversity Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board.

To meet the objectives of the Group’s Board Diversity Policy, the Board consists of members with expertise in the precast concrete junction box industry, accounting, internal control, corporate finance and administration.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness.

DELEGATION BY THE BOARD

The Board delegates to the Management in respect of the major corporate matters as stated below:

1. preparation of annual, interim and quarterly results of the Group to be approved by the Board;
2. execution of the corporate strategies and directions of the Group adopted by the Board;
3. implementation of sufficient systems of internal controls and risk management procedures of the Group; and
4. carrying out daily business operations and decision-makings of the Group, etc.

董事會多元化政策

本公司採納董事會多元化政策（「**董事會多元化政策**」），當中載有實現及維持董事會多元化的方法，以提高董事會的效力。

根據董事會多元化政策，本公司尋求透過考慮多種因素實現董事會多元化，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業及區域經驗。最終決定將基於選定候選人將給董事會帶來的價值及貢獻作出。

為達致本集團董事會多元化政策的目標，董事會成員由預製混凝土接線盒行業、會計、內部監控、公司財務及行政的專業人士組成。

所有董事會委任均根據任人唯賢原則進行，並將在考慮對董事會多元化的裨益後依據客觀標準考量候選人。

提名委員會將不時檢討董事會多元化政策，以確保其持續有效。

董事會指派

董事會指派管理層處理下述主要公司事宜：

1. 編製將由董事會批准之本集團年度、中期及季度業績；
2. 執行經董事會採納之本集團企業策略及指示；
3. 實施充足之本集團內部監控系統及風險管理程序；及
4. 執行日常業務運作，以及就本集團之日常業務作出決策等。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD MEETING, GENERAL MEETING AND PROCEDURES

The Board meets regularly and, in addition to regular meetings, it meets as and when warranted by particular circumstances.

During the year, 10 Board meetings have been held for the discussion and approval of important matters such as the approval of interim results, annual results and dividends, etc. The attendance record of each Director during the year at Board meetings is as follows:

董事會會議、股東大會及程序

董事會定期召開會議，而除例會外，其亦在有特殊情況需要時召開會議。

年內，董事會舉行了10次會議，以討論及批准中期業績、全年業績及股息等重要事項。各董事年內出席董事會會議的記錄如下：

		Number of Attendance Attended/ Eligible to Attend 出席／合資格 出席次數
Name of Director	董事姓名	
Executive Directors		
Mr. Loh Swee Keong	執行董事 Loh Swee Keong 先生	10/10
Independent Non-executive Directors		
Mr. Yau Ka Hei	獨立非執行董事 邱家禧先生	10/10
Mr. Ma, She Shing Albert	馬希聖先生	10/10
Mr. Kwok Tsz Hin (resigned on 2 December 2024)	郭子軒先生 (於2024年12月2日辭任)	4/7
Ms. Chan Sheung Yu (appointed on 2 December 2024 and resigned on 6 August 2025)	陳湘沅女士 (於2024年12月2日獲委任及於2025年8月6日辭任)	2/2
Ms. Yau Ka Ying (appointed on 6 August 2025)	丘嘉榮女士 (於2025年8月6日獲委任)	0/0

The Directors do not have any relationship (including financial, business, family or other material relationships) between themselves.

董事之間並無任何關係 (包括財務、業務、家庭或其他重大關係)。

CORPORATE GOVERNANCE FUNCTIONS

The Group has not established a corporate governance committee and thus the Board is responsible for performing the corporate governance duties set out in CG Code D.3.1 such as reviewing and determining the policies and practices on corporate governance of the Group, developing the Group's policies, practices on corporate governance, training and continuous professional development of the Directors and senior management, the Group's policies and practices on compliance with legal and regulatory requirements.

企業管治職能

本集團並無成立企業管治委員會。因此，董事會負責履行企業管治守則第D.3.1條所載的企業管治職責，例如檢討及釐定本集團的企業管治政策及常規、制定本集團的企業管治政策及常規、董事及高級管理人員的培訓及持續專業發展，以及本集團在遵守法律及監管規定方面的政策及常規。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board held meetings from time to time whenever necessary. To enable all the Directors to participate in the meetings, the Company ensures that all Directors are properly briefed on issues arising at the Board meetings and receive adequate, complete and reliable information in a timely manner. Notice of regular Board meetings is given to all Directors and they can include matters for discussion in the agenda as they think fit. Draft minutes of Board meeting shall be circulated to all Directors for comments prior to confirmation of the minutes. The signed minutes are kept by the Company Secretary. Every Board member has full access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed. They are also entitled to have full access to Board documents and related materials so that they are able to make an informed decision.

Pursuant to article 108(a) of the articles of association of the Company (the “**Articles**”), at each annual general meeting, one-third of the Directors for the time being, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Accordingly, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying shall retire at the 2025 AGM and being eligible, offer themselves for re-election.

The biographical details of above mentioned Directors proposed to be re-elected at the forthcoming annual general meeting are set out in the section headed “Directors and Senior Management Profiles” on pages 20 to 22 of this annual report.

Independent Non-executive Directors are appointed for a specific term subject to retirement by rotation and re-election in accordance with the Articles. Each Independent Non-executive Directors is required to inform the Group as soon as practicable if there is any change that may affect his/her independence. The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independency pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers these Independent Non-executive Directors to be independent.

董事會不時在有需要時舉行會議。為使全體董事能夠出席會議，本公司確保全體董事就於董事會會議上討論的事項獲得適當簡報，並及時收到足夠、完整而可靠的資料。全體董事就定期董事會會議獲發通知，而彼等可將其認為適合的討論事項納入會議議程。董事會會議記錄的草稿須向全體董事傳閱，以便彼等於確認會議記錄前給予意見。經簽署的會議記錄會由公司秘書保存。各董事會成員均可全面獲得公司秘書的意見及服務，以確保董事會的程序以及所有適用規則及規例均獲遵從。彼等亦有權全面查閱董事會文件及相關資料，以作出知情決定。

根據本公司組織章程細則（「**細則**」）第108(a)條，於每屆股東週年大會上，當時在任的三分之一董事須輪值退任，惟每名董事（包括該等以特定任期獲委任的董事）須至少每三年輪值退任一次。退任董事符合資格重選連任。

故此，馬希聖先生及丘嘉榮女士須於2025年股東週年大會上退任且符合資格並願意重選連任。

上述建議於應屆股東週年大會上重選連任的董事之履歷詳情載於本年報第20至22頁「董事及高級管理層簡介」一節。

獨立非執行董事乃按特定任期獲委任，惟須根據細則輪值退任及重選連任。如出現任何可能影響其獨立性的變動，各獨立非執行董事須於切實可行情況下盡快通知本集團。本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條發出的年度獨立性確認書，且本公司認為該等獨立非執行董事均屬獨立人士。

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CONTINUOUS PROFESSIONAL DEVELOPMENT

To ensure the Directors’ contribution to the Board remains informed and relevant, the Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills relating to the roles, functions and duties of a director of a listed company. During the year ended 31 May 2025, the current Board members participated in the following training programs:

持續專業發展

為確保董事一直在具備全面資訊及切合所需的情況下對董事會作出貢獻，本公司鼓勵董事參與專業發展課程及研討會，以增進及重溫彼等有關上市公司董事的角色、職能及職責之知識及技能。截至2025年5月31日止年度，現有董事會成員已參與下列培訓計劃：

		Training on corporate governance, regulatory updates on disclosable transactions and connected transactions 有關企業管治、規管更新須予披露交易及關連交易的培訓
Name of Directors	董事姓名	
Executive Director	執行董事	
Loh Swee Keong	Loh Swee Keong	✓
Independent Non-executive Directors	獨立非執行董事	
Yau Ka Hei	邱家禧	✓
Ma She Shing Albert	馬希聖	✓
Mr. Kwok Tsz Hin (resigned on 2 December 2024)	郭子軒先生（於2024年12月2日辭任）	✓
Ms. Chan Sheung Yu (appointed on 2 December 2024 and resigned on 6 August 2025)	陳湘沔女士（於2024年12月2日獲委任及於2025年8月6日辭任）	✓
Ms. Yau Ka Ying (appointed on 6 August 2025)	丘嘉榮女士（於2025年8月6日獲委任）	N/A 不適用

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Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the relevant statutes, laws, rules and regulations.

Ms. Chan Sheung Yu ("**Ms. Chan**") obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the GEM Listing Rules that are applicable to Ms. Chan as a director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 26 November 2024. Ms. Chan confirmed she understood her obligations as a director of the Company.

Ms. Yau Ka Ying ("**Ms. Yau**") obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the GEM Listing Rules that are applicable to Ms. Yau as a director of the Company and the possible consequences of making false declaration or giving false information to the Stock Exchange on 1 August 2025. Ms. Yau confirmed she understood her obligations as a director of the Company.

BOARD COMMITTEES

The Board has established three board committees, namely the audit committee (the "**Audit Committee**"), the remuneration committee (the "**Remuneration Committee**") and the nomination committee (the "**Nomination Committee**"). The terms of reference of the Board's committee are posted on the Company's website and the website of the Stock Exchange and are available to shareholders upon request.

Audit Committee

The Group established the Audit Committee on 27 June 2017 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules.

The Audit Committee currently consists of three Independent Non-executive Directors namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying. The chairman of the Audit Committee is Mr. Yau Ka Hei.

各新委任的董事均獲提供必要的入職培訓及資料，以確保其對本公司的營運及業務以及其於相關法規、法例、規則及規例下的責任有適當瞭解。

陳湘沅女士（「**陳女士**」）已於2024年11月26日就作為本公司董事須遵守的GEM上市規則適用規定，以及向聯交所作出虛假聲明或提供虛假資料可能導致的後果，向一家有資格就香港法例提供意見的律師事務所獲取法律意見。陳女士已確認，彼瞭解作為本公司董事的責任。

丘嘉榮女士（「**丘女士**」）已於2025年8月1日就作為本公司董事須遵守的GEM上市規則適用規定，以及向聯交所作出虛假聲明或提供虛假資料可能導致的後果，向一家有資格就香港法例提供意見的律師事務所獲取法律意見。丘女士已確認，彼瞭解作為本公司董事的責任。

董事會委員會

董事會已成立三個董事會委員會，分別為審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會（「**提名委員會**」）。董事會委員會的職權範圍於本公司網站及聯交所網站刊登，並於股東提出要求時可供查閱。

審核委員會

本集團已於2017年6月27日成立審核委員會，並遵照GEM上市規則第5.28至5.33條及GEM上市規則附錄十五所載的企業管治守則及企業管治報告第C.3段，制定其書面職權範圍。

審核委員會目前由三名獨立非執行董事組成，即邱家禧先生、馬希聖先生及丘嘉榮女士。審核委員會主席為邱家禧先生。

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The Audit Committee is mainly responsible for the followings:

- (a) to act as the key representative body for overseeing the Company's relations with the external auditor, and be primarily responsible for making recommendations to the board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review with the Group's management, external auditors and internal auditor, the adequacy of the Group's policies and system regarding internal controls (including financial, operational and compliance controls), risk management system and any statement by the Directors of the Company to be included in the annual accounts prior to endorsement by the Board;
- (c) to review and monitor the integrity of the Company's financial statements and the annual, quarterly and interim financial reports, and to review significant financial reporting judgements contained in them prior to approval by the Board, with particular focus on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustment resulting from the audit/review;
 - (iv) the going concern assumption and any qualifications;
 - (v) compliance with the accounting and auditing standards; and
 - (vi) compliance with the listing requirements on the GEM of The Stock Exchange of Hong Kong Limited and legal requirements in relation to financial reporting;

審核委員會的主要職責如下：

- (a) 擔任本公司與外聘核數師之主要代表，負責監察兩者之間的關係；及主要負責就外聘核數師之委任、重新委任及罷免向董事會提供建議、及批准外聘核數師之薪酬及聘用條款，及處理任何有關該核數師辭任或辭退該核數師之問題；
- (b) 於董事會核准前，與本集團管理層、外聘核數師及內部核數師檢討本集團有關內部監控（包括財務、營運及合規監控）的政策及系統、風險管理系統以及本公司董事於年度賬目內作出的任何聲明是否充分；
- (c) 於董事會批准前，審閱及監察本公司財務報表以及年度、季度及中期財務報告的完整性，並覆核當中所載的重大財務報告判斷，尤其須針對下列各項：
 - (i) 會計政策及慣例的任何改變；
 - (ii) 重大判斷範圍；
 - (iii) 有關核數／審閱結果的重大調整；
 - (iv) 持續經營的假設及任何保留意見；
 - (v) 有否遵守會計及核數準則；及
 - (vi) 有否遵守香港聯合交易所有限公司GEM的上市規定及有關財務報告的法律要求；

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(d) Oversee the issuer's financial reporting system, the risk management and the internal control systems; (i) to review the Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the board itself, to review the Company's risk management and internal control systems; (ii) to review arrangements employees of the Group can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; (iii) to review the draft representation letter prior to approval by the Board; (iv) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have an effective system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the issuer's accounting and financial reporting function; (v) to consider major investigation findings on risk management and internal control matters as delegated by the board or on its own initiative and management's response to these findings; and (vi) to assess the effectiveness of risk management and internal control.	(d) 監察發行人之財務報告系統、風險管理及內部監控系統； (i) 檢討本公司之財務監控，及除非由另一董事會之風險委員會或董事會本身明確表示，檢討本公司風險管理及內部監控系統； (ii) 檢討本集團僱員以保密方式就財務報告、內部監控或其他事宜可能存在不當情況提出疑問的安排。委員會須確保已作出適當安排，以公平及獨立地調查該等事項及作適當跟進行動； (iii) 經董事會批准前，審閱陳述書的草擬稿； (iv) 與管理層討論風險管理及內部監控系統，以確保管理層已履行其職責建立有效系統。此討論應包括發行人會計及財務報告功能的資源、員工資歷及經驗、培訓課程及預算是否充足； (v) 應董事會的委派或主動，就有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究；及 (vi) 評估風險管理及內部監控的有效性。

For the year ended 31 May 2025, 4 meetings have been held for the Audit Committee and all the members of the Committee attended the meetings. The Group's quarterly, interim and annual results have been reviewed by the Audit Committee.

截至2025年5月31日止年度，審核委員會已舉行4次會議且委員會全體成員均出席會議。本集團的季度、中期及年度業績已由審核委員會審閱。

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Remuneration Committee

The Company established the Remuneration Committee on 27 June 2017 with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and paragraph B.1 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. As at the date of this report, the Remuneration Committee consists of one Executive Director, namely Mr. Loh Swee Keong and two Independent Non-executive Directors, namely Mr. Yau Ka Hei and Mr. Ma, She Shing Albert. The chairman of the Remuneration Committee is Mr. Yau Ka Hei.

The Remuneration Committee is mainly responsible for the followings:

- (a) to consult the chairman of the Board and/or the chief executive of the Company (where applicable) about their remuneration proposals for other Executive Directors. The Committee should have access to independent professional advice if necessary;
- (b) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) either (i) determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management of the Company; or (ii) make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management of the Company. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

薪酬委員會

本公司已於2017年6月27日成立薪酬委員會，並遵照GEM上市規則第5.34至5.36條及GEM上市規則附錄十五所載的企業管治守則及企業管治報告第B.1段，制定其書面職權範圍。於本報告日期，薪酬委員會包括一名執行董事，即Loh Swee Keong先生以及兩名獨立非執行董事，即邱家禧先生及馬希聖先生。薪酬委員會主席為邱家禧先生。

薪酬委員會的主要職責如下：

- (a) 就其他執行董事的薪酬建議諮詢本公司董事會主席及／或行政總裁（倘適用）。倘有需要，委員會應可獲取獨立專業意見；
- (b) 因應董事會所訂立的企業方針及目標，檢討及批准管理層的薪酬建議；
- (c) (i) 獲董事會轉授責任釐定本公司個別執行董事及高級管理人員的薪酬待遇；或(ii) 向董事會建議本公司個別執行董事及高級管理人員的薪酬待遇。此應包括實物利益、退休金權利及賠償金額（包括喪失或終止職務或委任的任何應付賠償）；

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(d) make recommendations to the Board on the remuneration of Non-executive Directors and Independent Non-executive Directors of the Company;

(e) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries; and

(f) review and approve compensation payable to the Executive Directors and senior management of the Company for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.

For the year ended 31 May 2025, two meetings have been held for the Remuneration Committee and all the members of the Committee attended the meeting to review and make recommendation to the Board on the remuneration policy and the remuneration packages of the Directors.

Pursuant to code provision B.1.5 of the CG Code, details of the remuneration of the senior management (other than Directors) by bands for the year ended 31 May 2025 are as follows:

(d) 就本公司非執行董事及獨立非執行董事的薪酬向董事會提出建議；

(e) 考慮同類公司支付的薪酬、須付出的時間及職責以及本公司及其附屬公司內其他職位的僱用條件；及

(f) 檢討及批准向本公司執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，有關賠償亦須公平合理，不致過多。

截至2025年5月31日止年度，薪酬委員會已舉行兩次會議以審閱及就薪酬政策及董事的薪酬待遇向董事會提出建議，且委員會全體成員均參加該會議。

根據企業管治守則守則條文第B.1.5條，截至2025年5月31日止年度按層級劃分的高級管理人員（除董事外）的薪酬詳情如下：

		Number of members of senior management 高級管理人員 人數

Nil to HKD1,000,000

零至1,000,000港元

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The Group determines an Director's emolument based on each Director's qualifications, experience and capability and the prevailing market remuneration rate.

The emolument payable to Directors depends on their respective contractual terms under the service contracts and the appointment letters, and as recommended by the Remuneration Committee. Details of the Directors' emolument are set out in note 6 to the consolidated financial statements.

Further details of the remuneration of the Directors and the 5 highest paid employees required to be disclosed under Rule 18.30 of the GEM Listing Rules have been set out in notes 6 and 7 to the consolidated financial statements.

Nomination Committee

Our Company established the Nomination Committee on 27 June 2017 with written terms of reference in compliance with paragraph A.5 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The Nomination Committee currently consists of one Executive Director, namely Mr. Loh Swee Keong and two Independent Non-executive Directors, namely Mr. Yau Ka Hei and Ms. Yau Ka Ying. The chairman of the Nomination Committee is Mr. Loh Swee Keong.

The main roles and functions of the Nomination Committee include the followings:

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;

本集團按照各董事的資格、經驗及能力以及當前的市場薪酬水平釐定各董事的薪金。

應付董事酬金視乎彼等各自的服務合約及委任函件所載合約條款而定，並須參考薪酬委員會的推薦建議。董事酬金詳情載於綜合財務報表附註6。

根據GEM上市規則第18.30條須予披露有關董事酬金及五位最高薪僱員的進一步詳情載於綜合財務報表附註6及7。

提名委員會

本公司已於2017年6月27日成立提名委員會，並遵照GEM上市規則附錄十五所載的企業管治守則及企業管治報告第A.5段，制定其書面職權範圍。提名委員會目前包括一名執行董事，即Loh Swee Keong先生及兩名獨立非執行董事，即邱家禧先生及丘嘉榮女士。提名委員會主席為Loh Swee Keong先生。

提名委員會的主要角色及職能包括以下各項：

- (a) 每年至少一次檢討董事會的架構、規模及組成（包括技能、知識及經驗），並向董事會提出任何改動建議，以配合本公司的企業策略；
- (b) 物色合資格成為董事會成員的適當人選，並甄選或就甄選所提名擔任董事職務的人選向董事會提供建議；

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(c) assess the independence of Independent Non-executive Directors of the Company; (d) make recommendations to the Board on the appointment or re-appointment of Directors of the Company and succession planning for Directors of the Company, in particular the chairman of the Board and the chief executive officer of the Company; and (e) have a policy concerning diversity of Board members, review the policy and the progress on achieving the objectives set for implementing the policy and should disclose the policy or a summary of the policy in the corporate governance report annually.	(c) 評核本公司獨立非執行董事的獨立性； (d) 就本公司董事委任或續任以及本公司董事的繼任計劃（尤其是董事會主席及本公司行政總裁）向董事會提出建議；及 (e) 制定關於董事會成員多元化的政策、檢討政策及達致有關政策所設定目標的進度，並應每年於企業管治報告內披露有關政策或政策的摘要。

For the year ended 31 May 2025, two meetings have been held for the Nomination Committee and all the members of the Committee attended the meeting to review the independence of the Independent Non-executive Directors, the structure, size and Composition of the Board and the Board diversity policy adopted by the Company.

NOMINATION POLICY

The Company has adopted a Nomination Policy (the “**Nomination Policy**”) for the Nomination Committee to identify candidates to become a member of the Board and to make recommendations to the Board on the selection of candidates nominated for directorships. The Board shall be composed of members with balance of skills, experience and diversity of perspectives appropriate to accomplish the Group’s business development, strategies, operation, challenges and opportunities. The core criteria for selection include gender, age, cultural and education background, professional qualifications, skills, knowledge and industry and regional experience, number of directorship in other listed/public companies and in case of Independent Non-executive Directors, the number of years they have already served. According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and recommends to the Board for decision. The appointment shall be subject to the approval by the Board in accordance with the Articles of Association, the GEM Listing Rules and the Nomination Policy.

截至2025年5月31日止年度，提名委員會已舉行兩次會議以檢討獨立非執行董事的獨立性、董事會的架構、規模及組成以及本公司所採納的董事會成員多元化政策，且委員會全體成員均出席會議。

提名政策

本公司已為提名委員會採納一項提名政策（「**提名政策**」），以物色適合成為董事會成員的候選人，並向董事會推薦獲提名董事職位候選人的選擇。董事會成員組成應具有適當平衡的技能、經驗及多元化觀點，從而實現本集團的業務發展、策略、業務運營、挑戰及機遇。選擇的核心標準包括性別、年齡、文化及教育背景、專業資格、技能、知識及行業及區域經驗、於其他上市／公眾公司擔任董事職務的數目及（倘為獨立非執行董事）彼等已任職的年限。根據提名程序，提名委員會負責物色潛在新董事，並向董事會推薦以供其決策。根據組織章程細則、GEM上市規則及提名政策，委任須經董事會批准。

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2024 ANNUAL GENERAL MEETING

Pursuant to the code provision A.6.7 of the CG code, the Independent Non-executive Directors should attend general meetings and develop a balanced understanding of the visions of shareholders. At the 2024 annual general meeting held on 27 September 2024, all the Independent Non-executive Directors attended the meeting.

For the year ended 31 May 2025, the attendance record of each Director is set out in the table below:

2024 年股東週年大會

根據企業管治守則守則條文第A.6.7條，獨立非執行董事應出席股東大會並對股東的意見有公正瞭解。於2024年9月27日舉行的2024年股東週年大會上，所有獨立非執行董事均已出席大會。

截至2025年5月31日止年度，各董事的出席記錄載於下表：

Name of Directors 董事姓名	Number of attendance/number of meetings for the year ended 31 May 2024 截至2024年5月31日止年度的出席次數／會議次數				
	Board meeting 董事會 會議	Audit Committee meeting 審核委員會 會議	Remuneration Committee meeting 薪酬委員會 會議	Nomination Committee meeting 提名委員會 會議	General meeting 股東大會

Executive Directors

執行董事

Mr. Loh Swee Keong Loh Swee Keong 先生	10/10	N/A 不適用	2/2	2/2	4/4

Independent Non-executive Directors

獨立非執行董事

Mr. Yau Ka Hei 邱家禧先生	10/10	4/4	2/2	2/2	4/4
Mr. Ma, She Shing Albert 馬希聖先生	10/10	4/4	2/2	2/2	4/4
Mr. Kwok Tsz Hin (resigned on 2 December 2024) 郭子軒先生(於2024年12月2日辭任)	4/7	2/4	N/A 不適用	N/A 不適用	4/4
Ms. Chan Sheung Yu (appointed on 2 December 2024 and resigned on 6 August 2025) 陳湘沔女士(於2024年12月2日獲委任及 於2025年8月6日辭任)	2/2	2/2	N/A 不適用	N/A 不適用	0/0
Ms. Yau Ka Ying (appointed on 6 August 2025) 丘嘉榮女士(於2025年8月6日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDITING

The Board acknowledges its responsibility in preparing the Group's consolidated financial statements for each financial year which give a true and fair view of the Group's state of affairs, results and cash flows and in accordance with the relevant accounting standards and principles and the disclosure requirements under applicable laws and regulations in Hong Kong.

The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. The statements by the external Auditor, McMillan Woods (Hong Kong) CPA Limited, about their reporting responsibility on the financial statements of the Group are set out in the independent auditor's report on pages 59 to 65 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining effective internal control and risk management systems and for monitoring their effectiveness to safeguard shareholders' investments and the assets of the Group. The internal control system of the Group aims to facilitate efficient operation which in turn reduces the risks to which the Group is exposed. The internal control and risk management systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

問責及核數

董事會確認其有於每個財政年度編製本集團綜合財務報表之責任。綜合財務報表根據相關會計準則及原則，以及香港適用法例及規例之披露規定真實而中肯地反映本集團之事務狀況、業績及現金流量。

外聘核數師的責任為根據審核結果對董事會所編製的綜合財務報表提出獨立意見，並向本公司股東匯報彼等的意見。外聘核數師長青(香港)會計師事務所有限公司就其對本集團財務報表的申報責任所發表的聲明，載於本年報第59至65頁的獨立核數師報告。

內部監控及風險管理

董事會負責維持有效的內部監控及風險管理制度，並監察其成效以保障股東的投資及本集團的資產。本集團的內部監控系統旨在促使有效營運，從而減少本集團面臨的風險。內部監控及風險管理制度旨在提供合理(而非絕對)的保證，以防出現重大錯誤陳述或損失的情況，並管理(而非完全杜絕)本集團營運系統的失誤及本集團未能達成業務目標的風險。

CORPORATE GOVERNANCE REPORT

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The Group recognises that effective risk management is essential for the long-term development on the Group's business. The management is responsible for establishing, implementing and reviewing the sound and effective internal control system underpinning the risk management framework. The Audit Committee will periodically review the Group's compliance status with the Hong Kong laws and will perform its functions by (i) reviewing the internal control and legal compliance; (ii) discussing the internal control systems with the management of the Group to ensure that the management has performed its duty to have an effective internal control system and (iii) considering the major investigation findings on internal control matters as delegated by the Board or its own initiative and the management's response to these findings. While taking into full account of the new requirements effective from the Listing Date under the GEM Listing Rules brought by Hong Kong Exchanges and Clearing Limited relating to risk management and internal control, the management has formulated the risk management and control framework. All employees are committed to implement the risk management framework into the daily operation.

In addition, there is no internal audit function within the Group and the Group engaged an independent internal control consultant ("**Internal Control Consultant**") to conduct an annual review for the year ended 31 May 2025 of the effectiveness of the Group's risk management and internal control systems in various material aspects including financial, operational and compliance controls. Based upon the recommendations from the Internal Control Consultant, the Group has taken remedial actions. Further, in order to continuously improve the Group's corporate governance in the future the Group will adopt the measures recommended by the Internal Control Consultant.

Based on the result of the reviews as mentioned above, it is considered that proper internal control and risk management systems are in place and implemented effectively.

本集團明白有效的風險管理對本集團業務的長遠發展至關重要。管理層負責制定、實施及檢討健全有效的內部監控系統，並以此為風險管理框架的基礎。審核委員會將定期檢討本集團遵守香港法例的情況，並將透過下列方式履行其職責：(i)檢討內部監控及遵守法律的情況；(ii)與本集團的管理層討論內部監控系統以確保管理層已履行其職責以設立有效的內部監控系統及(iii)審議董事會委託或自發對內部監控事宜進行調查的重大結果及管理層對該等結果的回應。除全面考慮香港交易及結算所有限公司所頒佈GEM上市規則項下自上市日期起生效的風險管理及內部監控相關新規定外，管理層已制定風險管理及監控框架。全體僱員致力在日常營運中實施風險管理框架。

此外，本集團並無內部審核職能且本集團已委聘一名獨立內部監控顧問（「**內部監控顧問**」）以從若干重大方面（包括財務、營運及合規控制）對本集團風險管理及內部監控系統的有效性進行截至2025年5月31日止年度的年度審核。根據內部監控顧問的建議，本集團已採取補救措施。此外，務求在日後持續改善本集團的企業管治，本集團將採納內部監控顧問建議的措施。

根據上述檢討結果，本公司認為內部監控及風險管理系統已妥為制定並有效地實施。

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AUDITORS' REMUNERATION

For the year ended 31 May 2025, the remuneration paid or payable to McMillan Woods (Hong Kong) CPA Limited in respect of the statutory audit services and non-audit services for the Group are as follows:

核數師酬金

截至2025年5月31日止年度，本集團就法定審核服務及非審核服務已付或應付長青（香港）會計師事務所有限公司的酬金如下：

Nature of Services		Fee paid/ payables 已付／應付 的費用 HKD'000 千港元
服務性質		
Audit services	審核服務	893
Non-audit services	非審核服務	—

DIVIDEND POLICY

The Company has adopted a Dividend Policy that aims to provide guidelines for the Board to determine whether dividends are to be declared and paid to the shareholders and the level of dividend to be paid.

股息政策

本公司已採納一項股息政策，旨在為董事會確定是否向股東宣派及派付股息及將予支付的股息水平提供指引。

Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others,

根據股息政策，在決定是否建議派付股息及確定股息金額時，董事會應考慮（其中包括）以下各項：

- financial results;
 - cash flow situation;
 - business conditions and strategies;
 - future operations and earnings;
 - capital requirements and expenditure plans;
 - interests of shareholders;
 - any restrictions on payment of dividends; and
 - any other factors that the Board may consider relevant.
- 財務業績；
 - 現金流量狀況；
 - 業務狀況及策略；
 - 未來營運及盈利；
 - 資金需求及支出計劃；
 - 股東權益；
 - 派付股息之任何限制；及
 - 董事會可能認為相關之任何其他因素。

CORPORATE GOVERNANCE REPORT

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The declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and is also subject to any restrictions under the Companies Law of the Cayman Islands, the GEM Listing Rules, the laws of Hong Kong and the Company's Memorandum and Articles of Association and any other applicable laws and regulations. The Company does not have any predetermined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

COMPANY SECRETARY

Mr. Leung Tze Wai was appointed as the Company Secretary of the Company on 1 November 2018. All Directors have access to the Company Secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed. Mr. Leung taken no less than 15 hours of relevant professional training for the year ended 31 May 2025. The biographical details of Mr. Leung are set out under the section headed "Directors and Senior Management Profile" on pages 20 to 22 of this annual report.

SHAREHOLDERS' RIGHTS

As one of the measures to safeguard shareholders' interest and rights, separate resolutions can be proposed at shareholders' meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. All resolutions put forward at shareholders' meeting will be voted by poll pursuant to the GEM Listing Rules and the poll voting results will be posted on the website of The Stock Exchange and the Company's website after the relevant shareholders' meeting.

本公司宣派及派付股息應由董事會全權酌情釐定，亦須遵守開曼群島公司法、GEM上市規則、香港法例及本公司組織章程大綱及細則以及任何其他適用法律及法規的任何限制。本公司並無任何預定股息分派比率。本公司過往的股息分派記錄不應被用作確定本公司日後可能宣派或派付的股息水平的參考或依據。

本公司將持續檢討股息政策並保留按唯一及絕對酌情權隨時更新、修訂及／或修改股息政策的權利，而股息政策無論如何均不構成本公司作出的關於將會以任何特定金額支付股息的具有法律約束力的承諾及／或無論如何不為本公司施加於任何時間或不時宣派股息的義務。

公司秘書

梁子煒先生已於2018年11月1日獲委任為本公司的公司秘書。全體董事均可尋求公司秘書的協助，以確保董事會的程序及所有適用法例、規則及規例已獲遵從。梁先生已於截至2025年5月31日止年度接受不少於15小時的相關專業培訓。梁先生的履歷詳情載於本年報第20至22頁「董事及高級管理層簡介」一節。

股東權利

作為其中一項保障股東利益及權利的措施，可於股東大會就各項重大議題（包括推選個別董事）提呈獨立決議案以供股東考慮及表決。根據GEM上市規則，於股東大會上提呈的所有決議案將以按股數投票方式表決，而投票表決結果將於相關股東大會結束後在聯交所網站及本公司網站刊載。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Procedures for Shareholders to convene an extraordinary general meetings ("EGM")

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The following procedures for shareholders to convene an extraordinary general meeting are subject to the Articles (as amended from time to time), and the applicable legislation and regulation, in particular the GEM Listing Rules (as amended from time to time):

- (a) EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition (the **"Requisition"**), not less than one tenth of the paid up capital of the Company having the right of voting at general meetings (the **"Eligible Shareholders"**). Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition;
- (b) The Eligible Shareholders must deposit the Requisition to the principal place of business of the Company in Hong Kong at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong or to Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for the attention of the Board and/or the Company Secretary;
- (c) If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

與股東及投資者的溝通

股東召開股東特別大會（「股東特別大會」）的程序

本公司相信，與股東有效溝通對加深投資者關係以及投資者對本集團業務表現及策略的瞭解而言至關重要。以下為股東召開股東特別大會的程序，乃受細則（經不時修訂）以及適用法例及規例（特別是GEM上市規則（經不時修訂））所規限：

- (a) 股東特別大會須應一名或多名股東的請求（「請求」）召開，該等股東於提出請求當日須持有本公司繳足股本不少於十分之一且擁有在股東大會上投票的權利（「合資格股東」）。有關請求須以書面形式向董事會或秘書提出，藉以要求董事會就處理有關請求所指明之任何事務而召開股東特別大會。有關會議須在送交該請求後兩個月內舉行；
- (b) 合資格股東須將有關請求送交本公司香港主要營業地點（地址為香港九龍尖沙咀柯士甸路22-26號好兆年行14樓1406-08室）或本公司的香港股份過戶登記分處卓佳證券登記有限公司（地址為香港夏慤道16號遠東金融中心17樓），並註明收件人為董事會及／或公司秘書；
- (c) 如董事會在有關送交日期起計21日內未有進行安排召開有關會議，則請求人（或多名請求人）可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而產生的所有合理費用須由本公司償付。

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As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any enquiries.

Procedures for putting forward proposals at Shareholders' meeting

There are no provisions in the Articles of the Company or the Companies Law of the Cayman Islands for shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

Procedures for raising enquiries

Shareholders may raise questions, request for publicly available information and provide comments and suggestions to the Directors and management of the Company. Such questions, requests, comments and suggestions can be addressed to the Company by post to Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong or via telephone at (852) 3702 5315.

Should there are any enquiries and concerns from shareholders, they may direct their enquiries about their shareholdings to the Company's Hong Kong share registrar and transfer office, Tricor Investors Services Limited, by post to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via telephone at (852) 2980 1333. Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

作為促進有效溝通的渠道，本集團設立網站以刊登本公司公佈的資料、財務資料及其他資料。股東及投資者可將任何查詢以書面形式直接寄往本公司的香港主要營業地點。

於股東大會提出建議之程序

本公司細則或開曼群島公司法概無條文規定股東可於股東大會上動議新決議案。有意動議決議案的股東可依據前段所述程序要求本公司召開股東大會。

提出查詢的程序

股東可向本公司董事及管理層提出問題、索取公開可得資料並提供意見及建議。該等問題、索求、意見及建議可透過郵寄至香港九龍尖沙咀柯士甸路22-26號好兆年行14樓1406-08室或透過電話(852) 3702 5315傳達至本公司。

股東如有任何查詢及疑問，可透過郵寄至香港夏慤道16號遠東金融中心17樓或透過電話(852) 2980 1333向本公司的香港股份過戶登記處卓佳證券登記有限公司提出有關其名下持股的問題。股東提出問題時，務請留下詳細聯絡資料以便本公司適時迅速回應。

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INVESTORS RELATIONS

The Company has established a shareholders communication policy between itself and its shareholders, and investors which aims to set out the principles of the Company in relation to the shareholders' communications, with the objective of ensuring timely, transparent and accurate communications between the shareholders of the Company and the Company. These include answering questions through the annual general meeting, the publication of annual, interim and quarterly reports, notices, announcements and circulars, the Company's website at www.sktargetgroup.com and meetings with investors and shareholders. News update of the Group's business development and operation are also available on the Company's website.

CONSTITUTIONAL DOCUMENTS

Since the Listing Date and up to the date of this annual report, there has been no changes in the Company's Constitutional documents. A copy of the Company's updated Constitutional Documents is available on the websites of the Company and the Stock Exchange.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company has established and maintained procedures and internal controls for the handling and dissemination of inside information. Directors, senior management and employees of the Group who are likely to be in possession of inside information of the Company are subject to dealing restrictions in securities of the Company pursuant to the GEM Listing Rules. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the GEM Listing Rules will be announced on the respective websites of the Stock Exchange and the Company.

投資者關係

本公司已制定股東通訊政策與股東及投資者溝通，當中旨在列述本公司有關股東通訊的原則，以確保本公司股東與本公司間及時、透明及準確的通訊。該等通訊包括於股東週年大會回答問題、刊發年度、中期及季度報告、通告、公告及通函、本公司網站 (www.sktargetgroup.com) 以及與投資者及股東間的會議。本集團業務發展及營運的消息更新亦可於本公司網站查閱。

章程文件

自上市日期起及直至本年報日期，本公司章程文件並無變動。本公司已更新章程文件的文本載於本公司及聯交所網站。

內幕消息的處理及傳播

本公司已建立並維持處理及傳播內幕消息的程序及內部監控。根據GEM上市規則，本集團可能擁有本公司內幕消息的董事、高級管理層及僱員須遵守本公司證券交易限制。任何內幕消息及可能構成內幕消息的任何資料將即時識別、評估並上報董事會，以供董事會決定是否須予披露。內幕消息及其他根據GEM上市規則須予披露的資料將於聯交所及本公司各自的網站上公佈。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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香港
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WS-SK TARGET GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

致萬順瑞強集團有限公司
全體股東的獨立核數師報告
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of **WS-SK TARGET GROUP LIMITED** (formerly known as SK Target Group Limited) (the “**Company**”) and its subsidiaries (collectively referred to as “the **Group**”) set out on pages 66 to 167, which comprise the consolidated statement of financial position as at 31 May 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 May 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements for the current period. The matter was addressed in the context of our audit of the consolidated financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is impairment assessment of trade receivables.

意見

我們已審核第66至167頁所載萬順瑞強集團有限公司（前稱為瑞強集團有限公司）（「貴公司」）及其附屬公司（統稱「貴集團」）的綜合財務報表，該等綜合財務報表包括於2025年5月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註（包括重大會計政策資料概要）。

我們認為，綜合財務報表已根據國際會計準則理事會（「國際會計準則理事會」）頒佈的國際財務報告準則會計準則真實而中肯地反映 貴集團於2025年5月31日的綜合財務狀況以及截至該日止年度的綜合財務表現及綜合現金流量並已根據香港公司條例的披露規定妥為編製。

意見基礎

我們已根據香港會計師公會（「香港會計師公會」）頒佈的香港審計準則（「香港審計準則」）進行審核。我們在該等準則下的責任於我們報告內「核數師就審核綜合財務報表須承擔的責任」一節中進一步論述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），我們獨立於 貴集團，並已根據守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的意見提供基礎。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。該事項在我們審核 貴集團整體綜合財務報表及出具意見時進行處理。我們不會對該事項提供單獨的意見。我們識別的關鍵審核事項為貿易應收款項的減值評估。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTER (Continued)

關鍵審核事項(續)

Impairment assessment of trade receivables

貿易應收款項減值評估

How our audit addressed the key audit matter

我們的審核如何處理關鍵審核事項

Refer to notes 3(g)(v), 4, 21, 32(b) to the consolidated financial statements.

請參閱綜合財務報表附註3(g)(v)、4、21、32(b)。

As at 31 May 2025, the Group's gross trade receivables is approximately RM11,457,000 and out of those trade receivables approximately RM5,054,000 were past due.

於2025年5月31日，貴集團之貿易應收款項總額約為11,457,000令吉，且其中約5,054,000令吉的貿易應收款項已逾期。

As disclosed in note 21 to the consolidated financial statements, the Group's allowances for expected credit losses ("ECL") on trade receivables as at 31 May 2025 amounted to approximately RM6,076,000.

如綜合財務報表附註21所披露，貴集團於2025年5月31日的貿易應收款項的預期信貸虧損（「預期信貸虧損」）撥備約為6,076,000令吉。

The trade receivables net of allowance was RM5,381,000, which represented approximately 10% of total assets of the Group.

貿易應收款項（扣除撥備）為5,381,000令吉，約佔貴集團總資產的10%。

Our procedures in relation to the impairment assessment of trade receivables included:

我們有關貿易應收款項減值評估的程序包括：

- Understanding key controls on how the management estimates the loss allowance for trade receivables;
- 瞭解管理層估計貿易應收款項虧損撥備之關鍵監控措施；
- Challenging management's basis and judgement in determining credit loss allowances on trade receivables as at 31 May 2025, including their identification of credit-impaired trade receivables, and the basis of estimated loss rate such as customers' credit risk grading dependent on the customers' financial performance, historical loss rates and forward-looking information;
- 質疑管理層釐定於2025年5月31日的貿易應收款項信貸虧損撥備之基礎及判斷，包括彼等對信貸減值貿易應收款項之識別以及有關估計虧損率（如視乎客戶財務表現、歷史虧損率及前瞻性資料計算的客戶信貸風險評級）之基準；
- Evaluating the disclosures regarding the impairment assessment of trade receivables in notes 21 and 32(b) to the consolidated financial statements;
- 評估綜合財務報表附註21及32(b)中有關貿易應收款項減值評估的披露；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTER (Continued)

關鍵審核事項 (續)

Impairment assessment of trade receivables

貿易應收款項減值評估

How our audit addressed the key audit matter

我們的審核如何處理關鍵審核事項

As disclosed in note 32(b) to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables based on estimated loss rate, which is determined based on the management's assessment on information including credit profile of different customers or debtors, ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers or debtors, adjusted for factors that are specific to the debtors, and any forward-looking information without undue cost or effort, including time value of money where appropriate.

如綜合財務報表附註32(b)所披露，貴集團管理層根據估計虧損率估計貿易應收款項的全期預期信貸虧損金額，而估計虧損率乃根據管理層對不同客戶或債務人的信貸資料、貿易應收款項的賬齡、歷史結算記錄、後續結算情況、未償還餘額的預期變現時間及金額以及與相關客戶或債務人的持續交易關係等資料的評估而釐定，根據債務人特定的因素以及無需付出過多成本或努力即可獲得的任何前瞻性資料（包括貨幣時間價值（如適當））調整。

We identified the impairment assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the ECL of the Group's trade receivables at the end of the reporting period.

由於貿易應收款項對貴集團綜合財務狀況之重要性及於評估貴集團貿易應收款項於報告期末的預期信貸虧損時作出的主觀判斷及管理層估計，我們將貿易應收款項減值評估識別為關鍵審核事項。

- Testing subsequent settlements of credit-impaired trade receivables, on a sample basis, by inspecting supporting documents in relation to cash receipt from trade receivables subsequent to the end of the current reporting period;
- 通過檢查當前報告期後有關貿易應收款項的現金收款情況抽樣測試信貸已減值之貿易應收款項的後續償付；
- Obtaining and reviewing the assessment prepared by the external professional valuer engaged by the management, with the assistance of our valuation specialists;
- 取得及於我們的估值專家協助下審閱由管理層委聘的外部專業估值師所編製的評估；
- Assessing the underlying assumptions adopted by management in the provision matrix, with reference to various factors such as the ageing of accounts receivable balances, the credit terms granted by the Group, the historical repayment patterns and settlement received from customers subsequent to the end of the reporting period on selected sample basis, and forward-looking factors; and
- 評估管理層對撥備矩陣採用的相關假設，參考多項因素（例如應收賬款結餘賬齡、貴集團授予的信貸期、過往還款模式及報告期末後從客戶收到的結算款項（經選定抽樣形式））及前瞻性因素；及
- Assessing the qualifications, experience and expertise of the external professional valuer engaged by the management and considered its objectivity and independence.
- 評估管理層所委聘外部專業估值師的資格、經驗和專業知識，並考慮其客觀性和獨立性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements of the Group and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

其他資料

董事須對其他資料負責。其他資料包括年報所載的資料，惟不包括 貴集團的綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表發表的意見並未涵蓋其他資料，且我們亦不對該等其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。

倘若我們基於已完成的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。就此而言，我們並無需要報告的事項。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒佈的國際財務報告準則會計準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，及其認為就確保綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部監控。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事有意將 貴集團清盤或停止營運，或別無其他實際可行的替代方案，否則董事須採用以持續經營為基礎的會計法。

審核委員會協助董事負責監督 貴集團之財務申報流程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們乃根據雙方協定之委聘條款僅向閣下（作為整體）報告我們的意見，除此之外本報告不得用作其他用途。我們並不就本報告內容向任何其他人士承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

我們根據香港審計準則進行審核的工作之一，是運用專業判斷，在整個審核過程中抱持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計於相關情況下屬適當的審核程序，但目的並非對貴集團內部監控的成效發表意見。
- 評估董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審核綜合財務報表須承擔的責任(續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有可能對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若我們總結認為有重大不確定因素，我們須在核數師報告中提請注意綜合財務報表內的相關披露，或如果相關披露不足，則修訂我們的意見。我們的結論基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括資料披露）的整體列報、架構和內容，以及綜合財務報表是否已中肯地列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料規劃及執行集團的審核工作，以獲得充足及恰當的審核憑證，作為對綜合財務報表形成意見的基礎。我們須負責指導、監督及審閱為集團審核而執行的審核工作。我們須為我們的審核意見承擔全部責任。

我們就審核工作的計劃範圍和時間、在審核過程中的主要審核發現（包括內部監控的任何重大缺失）及其他事項與審核委員會進行溝通。

我們亦向審核委員會作出聲明，確認我們已遵守有關獨立性的專業道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及消除威脅的行動或採取的防範措施（如適用），與審核委員會進行溝通。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

From the matters communicated with the Audit Committee, we determine the matter that was of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matter. We describe the matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

McMillan Woods (Hong Kong) CPA Limited

Certified Public Accountants

Chan Chun Sing

Practising Certificate Number P05537

Hong Kong

29 August 2025

核數師就審核綜合財務報表須承擔的責任(續)

我們通過與審核委員會溝通，確定本期間綜合財務報表審核工作的最重要事項，即關鍵審核事項。除非法律或法規不容許公開披露該事項，或在極罕有的情況下，我們認為披露該事項可合理預期的不良後果將超過公眾知悉該事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述該事項。

長青(香港)會計師事務所有限公司

執業會計師

陳振聲

執業證書編號 P05537

香港

2025年8月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MAY 2025
截至2025年5月31日止年度

		Notes 附註	2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉 (Restated) (經重列)
Continuing operations	持續經營業務			
Revenue	收入	5	31,555	30,681
Cost of sales	銷售成本		(22,168)	(22,122)
Gross profit	毛利		9,387	8,559
Other income	其他收入		1,036	963
Allowance for credit loss, net	信貸虧損撥備淨額		(666)	(526)
Administrative expenses	行政開支		(5,539)	(5,936)
Selling and distribution expenses	銷售及分銷開支		(1,857)	(1,356)
Finance costs	融資成本	8	(143)	(133)
Share of results of an associate	分佔一間聯營公司業績	17	(523)	61
Profit before taxation	除稅前溢利	9	1,695	1,632
Taxation	稅項	10	(1,214)	(1,139)
Profit for the period from continuing operations	來自持續經營業務之期內溢利		481	493
Discontinued operations	已終止經營業務			
Loss from discontinued operations	來自已終止經營業務之虧損	11	(399)	(385)
Profit for the year	年內溢利		82	108
Other comprehensive income	其他全面收入			
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		(909)	410
Total comprehensive (expense)/income for the year	年內全面(開支)/收入總額		(827)	518

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MAY 2025
截至 2025 年 5 月 31 日止年度

	Notes 附註	2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉 (Restated) (經重列)
Profit/(loss) for the year attributable to owners of the Company:	本公司擁有人應佔年內溢利／(虧損)：		
— from continuing operations	— 來自持續經營業務	481	493
— from discontinued operations	— 來自已終止經營業務	(399)	(385)
		82	108
Total comprehensive (expense)/income for the year attributable to owners of the Company:	本公司擁有人應佔年內全面(開支)／收入總額：		
— from continuing operations	— 來自持續經營業務	(428)	903
— from discontinued operations	— 來自已終止經營業務	(399)	(385)
		(827)	518
Earnings/(loss) per share	每股盈利／(虧損)		
Basic (RM cents)	基本(仙令吉)	12	
— From continuing operations	— 來自持續經營業務	3.00	3.63
— From discontinued operations	— 來自已終止經營業務	(2.49)	(2.83)
— From continuing and discontinued operations	— 來自持續經營及已終止經營業務	0.51	0.80

The notes on pages 73 to 167 form an integral part of these consolidated financial statements.

第73至167頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MAY 2025
於 2025 年 5 月 31 日

		Notes 附註	2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Non-Current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	6,676	3,763
Right-of-use assets	使用權資產	15	9,838	428
Investment property	投資物業	16	345	349
Investment in an associate	於聯營公司的投資	17	2,617	3,466
Intangible asset	無形資產	18	2,915	–
Goodwill	商譽	19	4	–
Total Non-Current Assets	非流動資產總額		22,395	8,006
Current Assets	流動資產			
Inventories	存貨	20	1,735	1,800
Receivables, deposits and prepayments	應收款項、按金及預付款	21	8,057	12,485
Amount due from ultimate holding company	應收最終控股公司款項	22	45	40
Amount due from a shareholder	應收股東款項	22	32	35
Tax recoverable	可收回稅項		169	10
Short-term bank deposits	短期銀行存款	23	18,676	21,089
Cash and bank balances	現金及銀行結餘	23	4,054	7,142
Total Current Assets	流動資產總額		32,768	42,601
Current Liabilities	流動負債			
Payables and accrued charges	應付款項及應計費用	24	11,280	10,145
Lease liabilities	租賃負債	25	791	405
Tax payables	應付稅項		24	218
Promissory notes	承兌票據	27	–	3,446
Total Current Liabilities	流動負債總額		12,095	14,214
Net Current Assets	淨流動資產		20,673	28,387
Total Assets Less Current Liabilities	總資產減流動負債		43,068	36,393

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MAY 2025
於2025年5月31日

		Notes 附註	2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Non-Current Liabilities	非流動負債			
Lease liabilities	租賃負債	25	691	–
Deferred tax liabilities	遞延稅項負債	26	111	95
Promissory notes	承兌票據	27	5,558	–
Total Non-Current Liabilities	非流動負債總額		6,360	95
Net Assets	淨資產		36,708	36,298
Capital and Reserves	資本及儲備			
Share capital	股本	28	7,265	6,028
Reserves	儲備	29	29,443	30,270
Total Equity	權益總額		36,708	36,298

The consolidated financial statements on pages 66 to 167 were approved and authorised for issue by the Board of Directors on 29 August 2025 and are signed on its behalf by:

載於第66至167頁的綜合財務報表已於2025年8月29日由董事會批准並授權刊發，並由下列董事代表簽署：

Loh Swee Keong

Director
董事

Yau Ka Hei

邱家禧
Independent Non-Executive Director
獨立非執行董事

The notes on pages 73 to 167 form an integral part of these consolidated financial statements.

第73至167頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 MAY 2025

截至2025年5月31日止年度

		Share capital 股本 (note 28) (附註28) RM'000 千令吉	Share premium 股份溢價 (note 29(a)) (附註29(a)) RM'000 千令吉	Other reserve 其他儲備 (note 29(b)) (附註29(b)) RM'000 千令吉	Translation reserve 匯兌儲備 (note 29(c)) (附註29(c)) RM'000 千令吉	Accumulated losses 累積虧損 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2023	於2023年6月1日	5,438	28,059	8,579	50	(6,951)	35,175
Profit for the year	年內溢利	-	-	-	-	108	108
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	410	-	410
Total comprehensive income for the year	年內全面收入總額	-	-	-	410	108	518
Issue of subscription shares by newly allotted ordinary shares (note 28(a))	透過新配發普通股發行認購股份 (附註28(a))	590	15	-	-	-	605
At 31 May 2024	於2024年5月31日	6,028	28,074	8,579	460	(6,843)	36,298
At 1 June 2024	於2024年6月1日	6,028	28,074	8,579	460	(6,843)	36,298
Profit for the year	年內溢利	-	-	-	-	82	82
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	(909)	-	(909)
Total comprehensive income for the year	年內全面收入總額	-	-	-	(909)	82	(827)
Issue of subscription shares by newly allotted ordinary shares (note 28(b))	透過新配發普通股發行認購股份 (附註28(b))	1,237	-	-	-	-	1,237
At 31 May 2025	於2025年5月31日	7,265	28,074	8,579	(449)	(6,761)	36,708

The notes on pages 73 to 167 form an integral part of these consolidated financial statements.

第73至167頁附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MAY 2025

截至2025年5月31日止年度

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
OPERATING ACTIVITIES	經營活動		
Profit/(loss) before taxation	除稅前溢利／(虧損)		
— From continuing operations	— 來自持續經營業務	1,695	1,632
— From a discontinued operation	— 來自已終止經營業務	(399)	(385)
		1,296	1,247
Adjustments for:	就以下各項作出調整：		
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	894	685
Investment property	投資物業	4	4
Right-of-use assets	使用權資產	651	568
Intangible assets	無形資產	265	—
Allowance for credit losses, net	信貸虧損撥備淨額	1,090	870
Finance costs	融資成本	143	133
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(35)	(136)
Share of results of an associate	分佔一間聯營公司業績	523	(61)
Unrealised (gain)/losses on foreign exchange	未變現外匯(收益)／虧損	(417)	84
Interest income	利息收入	(910)	(764)
Operating profit before working capital changes	營運資金變動前的經營利潤	3,504	2,630
Movements in working capital:	營運資金變動：		
Decrease/(increase) in:	下列各項減少／(增加)：		
Inventories	存貨	65	204
Receivables, deposits and prepayments	應收款項、按金及預付款	3,379	(1,492)
Increase/(decrease) in:	下列各項增加／(減少)：		
Payables and accrued charges	應付款項及應計費用	1,073	(888)
Net cash generated from operations	營運所得現金淨額	8,021	454
Income tax paid	已付所得稅	(1,551)	(895)
Net cash generated from/(used in) operating activities	經營活動所得／(所用)現金淨額	6,470	(441)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MAY 2025

截至2025年5月31日止年度

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	910	764
Acquisition of a subsidiary (note 30)	收購一間附屬公司(附註30)	3	—
Purchase of property, plant and equipment	購買物業、廠房及設備	(3,931)	(560)
Payments of right-of-use assets	使用權資產付款	(8,307)	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	159	137
(Increase)/decrease in pledged short-term bank deposits	已抵押短期銀行存款(增加)／減少	(964)	915
Advance from/(to) a shareholder	來自一名股東的／(向一名股東作出)墊款	3	(23)
Advance (to)/from ultimate holding company	(向最終控股公司作出)／來自最終控股公司的墊款	(5)	4
Net cash (used in)/generated from investing activities	投資活動(所用)／所得現金淨額	(12,132)	1,237
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of shares	發行股份所得款項	1,237	605
Finance costs paid	已付融資成本	(9)	(10)
Capital element of lease rentals paid	已付租金之資本部分	(676)	(625)
Interest element of lease rentals paid	已付租金之利息部分	(24)	(24)
Repayment of promissory note	償還承兌票據	(813)	—
Net cash used in financing activities	融資活動所用現金淨額	(285)	(54)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)／增加淨額	(5,947)	742
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	28,019	26,948
Effects of exchange differences	匯兌差額的影響	(518)	329
CASH AND CASH EQUIVALENTS AT END OF YEAR (note 23)	年末現金及現金等價物(附註23)	21,554	28,019

The notes on pages 73 to 167 form an integral part of these consolidated financial statements.

第73至167頁附註構成此等綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. GENERAL INFORMATION

WS-SK Target Group Limited (formerly known as SK Target Group Limited) (the “**Company**”) was incorporated in the Cayman Islands with limited liability on 28 October 2016 and its ordinary shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) since 19 July 2017. The addresses of the registered office and principal place of business are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia, respectively.

Merchant World Investments Limited (“**Merchant World**”), a limited company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate holding company of the Company. Mr. Loh Swee Keong, is the ultimate controlling party of the Company who wholly owns Merchant World.

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia, sourcing service of materials in Hong Kong. The Group discontinued its sales of health supplement products in Hong Kong in 2024. Since January 2025, the Group started to engage in the e-commerce platform in the People’s Republic of China (the “**PRC**”). The principal activities and other particulars of the subsidiary companies are set out in note 35.

1. 一般資料

萬順瑞強集團有限公司（前稱瑞強集團有限公司）（「**本公司**」）於2016年10月28日於開曼群島註冊成立為有限公司，且其普通股已自2017年7月19日起於香港聯合交易所有限公司（「**聯交所**」）GEM上市。註冊辦事處地址及主要營業地點分別為Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands及18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia。

Merchant World Investments Limited（「**Merchant World**」，一家在英屬處女群島（「**英屬處女群島**」）註冊成立的有限公司）是本公司的直接及最終控股公司。Loh Swee Keong先生為本公司的最終控制方，並全資擁有Merchant World。

本公司是一家投資控股公司，而本集團的主要業務為於馬來西亞從事預製混凝土接線盒的製造和貿易、配件及管道貿易以及提供移動式起重機租賃及配套服務、於香港從事物料採購服務。本集團於2024年終止其於香港的銷售保健產品業務。自2025年1月起，本集團已開始於中華人民共和國（「**中國**」）從事電子商務平台。附屬公司的主要業務及其他詳情載於附註35。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) to these consolidated financial statements for the current accounting period:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

For the new and amendments to IFRS Standards in issue but not yet effective, please refer to note 41.

2. 應用經修訂國際財務報告準則會計準則

於本年度，本集團已就現行會計期間的該等綜合財務報表應用下列由國際會計準則理事會（「國際會計準則理事會」）頒佈的國際財務報告準則會計準則之修訂本：

國際財務報告準則第16號（修訂本）	售後租回交易中的租賃負債
國際會計準則第1號（修訂本）	將負債分類為流動或非流動
國際會計準則第1號（修訂本）	附帶契諾的非流動負債
國際會計準則第7號及國際財務報告準則第7號（修訂本）	供應商融資安排

於本年度應用該等國際財務報告準則會計準則修訂本並無對本年度及過往年度的本集團財務狀況及表現及／或該等綜合財務報表所載的披露造成重大影響。

已頒佈但尚未生效之新訂及經修訂國際財務報告準則會計準則，請參閱附註41。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations issued by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of Stock Exchange (the “**GEM Listing Rules**”). Significant accounting policies adopted by the Company and its subsidiaries (collectively referred as “**the Group**”) are disclosed below.

The IASB has issued certain amendments to IFRS Accounting Standards which are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

The consolidated financial statements for the year ended 31 May 2025 comprise the Company and its subsidiaries.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). These consolidated financial statements are presented in Ringgit Malaysia (“**RM**”), rounded to the nearest thousand (RM’000), unless otherwise stated. RM is the Company’s functional currency and the Group’s presentation currency.

3. 重大會計政策概要

(a) 編製基準

該等綜合財務報表乃按照國際會計準則理事會頒佈之所有適用的國際財務報告準則會計準則（此統稱包括所有適用的個別國際財務報告準則、國際會計準則（「**國際會計準則**」）及詮釋）以及香港公司條例的披露規定編製。該等綜合財務報表亦符合聯交所GEM證券上市規則（「**GEM上市規則**」）的適用披露條文。本公司及其附屬公司（統稱為「**本集團**」）所採納之重大會計政策披露如下。

國際會計準則理事會已頒佈若干於本集團現行會計期間首次生效或可供提早採納之經修訂國際財務報告準則會計準則。附註2提供因首次應用該等修訂所產生而與本集團現行及過往會計期間相關並在該等綜合財務報表內反映之任何會計政策變動的資料。

截至2025年5月31日止年度的綜合財務報表包括本公司及其附屬公司。

本集團各實體財務報表所包含之項目乃採用該實體經營所在地之主要經濟環境之貨幣（「**功能貨幣**」）計量。該等綜合財務報表乃以馬來西亞令吉（「**令吉**」）呈列，除另有說明外，有關金額均約整至最接近的千位數（千令吉）。本公司之功能貨幣及本集團之呈列貨幣均為令吉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(a) Basis of preparation *(Continued)*

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and major source of estimation uncertainty are discussed in note 4.

The consolidated financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

3. 重大會計政策概要 (續)

(a) 編製基準 (續)

編製符合國際財務報告準則會計準則的財務報表需要管理層作出會影響政策應用及資產、負債、收入與開支的報告金額的判斷、估計及假設。估計及有關假設乃基於過往經驗及多個被認為在有關情況下屬合理的其他因素而作出，所得結果乃用作判斷無法輕易自其他來源得知之資產及負債賬面值的依據。實際結果或會有別於該等估計。

估計及相關假設按持續基準審閱。倘修訂僅影響估計作出修訂的期間，則會計估計修訂會於該期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

管理層在應用國際財務報告準則會計準則過程中所作出對財務報表具有重大影響之判斷及估計不明朗因素之主要來源披露於附註4。

綜合財務報表乃按歷史成本法編製。

已採納的主要會計政策載於下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary company begins when the Group obtains control over the subsidiary company and ceases when the Group loses control over the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary company.

Where necessary, adjustments are made to the financial statements of a subsidiary company to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 重大會計政策概要(續)

(b) 合併基準

綜合財務報表包括本公司及其附屬公司的財務報表。當本公司符合下列情況，則視為取得控制權：

- 有權力控制投資對象；
- 參與投資對象的業務而取得或有權取得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對投資對象擁有控制權。

附屬公司的綜合入賬於本集團取得附屬公司的控制權起開始，並於本集團失去附屬公司的控制權時終止。具體而言，年內所收購或出售附屬公司的收入及開支乃自本集團取得控制權的日期起計入綜合全面收益表，直至本集團不再控制附屬公司的日期為止。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策相符。

有關本集團成員公司之間交易的所有集團內公司間的資產、負債、股權、收入、開支及現金流量於綜合時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(c) Property, plant and equipment

The following items of property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses (see note 3 (g)):

- interests in leasehold land and buildings where the Group is the registered owner of the property interest (see note 3 (h));
- right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 3 (h)).

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 重大會計政策概要 (續)

(c) 物業、廠房及設備

以下物業、廠房及設備項目(在建工程除外)乃按成本減去累計折舊及減值虧損列賬(見附註3(g)):

- 租賃持有之土地及樓宇之權益且本集團為該等物業權益的註冊擁有人(見附註3(h));
- 以租賃持有之物業且本集團並非該等物業權益的註冊擁有人所產生的使用權資產; 及
- 廠房及設備項目, 包括相關廠房及設備租賃所產生的使用權資產(見附註3(h))。

確認折舊是用直線法在資產的估計可使用年期內撇銷其成本減其剩餘價值。估計可使用年期、剩餘價值及折舊方法均於各報告期末時檢討, 而估計的任何變動的影響則預先入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。物業、廠房及設備項目於出售或報廢時產生的任何盈虧, 乃按銷售所得款項與該資產的賬面值兩者間的差額釐定, 並於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(d) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(f) Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3. 重大會計政策概要(續)

(d) 投資物業

投資物業是持有以用來賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業乃按成本減其後累計折舊及任何累計減值虧損列賬。折舊獲確認以按投資物業的估計可使用年期以直線法撇銷其成本。

投資物業於出售時或於投資物業永久不再使用且預期出售不會產生未來經濟利益時終止確認。終止確認物業產生的任何收益或虧損(按出售所得款項淨額與資產賬面值之間差額計算)會計入終止確認物業期間的損益。

(e) 存貨

存貨按成本及可變現淨值兩者中的較低者列賬。存貨成本採用加權平均成本法計算。可變現淨值代表存貨估計售價減所有估計完成成本及進行銷售所需成本。

(f) 於聯營公司的投資

聯營公司指本集團對其有重大影響力的實體。重大影響力指有權參與投資對象的財務及經營政策決策，但並非控制或共同控制該等政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's accounting policies to those of the Group. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 重大會計政策概要(續)

(f) 於聯營公司的投資(續)

聯營公司之業績以及資產及負債以權益會計法計入該等綜合財務報表，惟倘投資或部分投資分類為持作出售，於此情況下，其或其獲分類之部分則根據國際財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。並無分類為持作出售的聯營公司投資的任何保留部分繼續使用權益法入賬。作權益會計用途的聯營公司財務報表乃按與本集團於類似情況下就類似交易及事件所採用者一致的會計政策編製。已作出適當調整以使聯營公司的會計政策與本集團的會計政策一致。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔聯營公司之損益及其他全面收益而作出調整。聯營公司的淨資產（損益及其他全面收益除外）變動不會入賬，除非該等變動導致本集團持有的所有權權益出現變動。當本集團應佔聯營公司之虧損超出本集團於該聯營公司之權益（包括實質上構成本集團於聯營公司投資淨額一部分之任何長期權益）時，本集團終止確認其應佔之進一步虧損。僅於本集團已產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策概要(續)

(f) 於聯營公司的投資(續)

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。於收購聯營公司之投資時，投資成本超出本集團應佔投資對象可識別資產及負債公平淨值之任何差額乃確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債之公平淨值超出投資成本之任何差額，於重新評估後即時於收購投資期間在損益中確認。

本集團評估是否有客觀證據顯示於聯營公司的權益可能出現減值。倘存在任何客觀證據，投資之全部賬面值（包括商譽）會根據國際會計準則第36號以單一資產之方式進行減值測試，方法是比較其可收回金額（即使用價值與公平值減出售成本之較高者）與其賬面值。任何已確認之減值虧損不會分配至構成投資賬面值一部分之任何資產（包括商譽）。有關減值虧損之任何撥回乃於投資之可收回金額其後增加時根據國際會計準則第36號確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(f) Investment in an associate (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 重大會計政策概要(續)

(f) 於聯營公司的投資(續)

當本集團不再對聯營公司擁有重大影響力時，則入賬列作出售投資對象的全部權益，所產生的收益或虧損於損益內確認。當本集團保留於前聯營公司之權益，且該保留權益為國際財務報告準則第9號範圍內之金融資產時，則本集團會於該日按公平值計量保留權益，而該公平值會視為於初步確認時之公平值。聯營公司的賬面值與任何保留權益及出售聯營公司相關權益的任何所得款項的公平值之間的差額，會於釐定出售聯營公司的收益或虧損時入賬。此外，本集團會將過往於其他全面收入就聯營公司確認之所有金額按聯營公司直接出售相關資產或負債所用之相同基準入賬。因此，倘聯營公司過往於其他全面收入確認之收益或虧損將於出售相關資產或負債時重新分類至損益，則本集團於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益（作為重新分類調整）。

當於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團會繼續採用權益法。於所有權益出現有關變動時不會重新計量公平值。

當本集團削減其於聯營公司之所有權益但繼續採用權益法時，倘過往於其他全面收入所確認與削減所有權益有關之部分收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將該收益或虧損重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(f) Investment in an associate *(Continued)*

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

(g) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 重大會計政策概要(續)

(f) 於聯營公司的投資(續)

當集團實體與本集團之聯營公司進行交易，與聯營公司進行交易所產生之損益僅在聯營公司之權益與本集團無關之情況下於綜合財務報表確認。

(g) 金融工具

當集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。所有日常購買或出售的金融資產均按交易日基準確認及終止確認。日常購買或出售指按於市場規則或慣例確立的時限內交付資產的金融資產購買或出售。

金融資產及金融負債初步按公平值計量，惟自客戶合約產生的貿易應收款項除外，其初步根據國際財務報告準則第15號計量。收購或發行金融資產及金融負債直接應佔的交易成本乃於初步確認時計入金融資產或金融負債的公平值，或從其公平值扣除（如適用）。

實際利率法為計算金融資產或金融負債的攤銷成本及按相關期間分配利息收入及利息開支的方法。實際利率為於金融資產或金融負債的預期年期或（如適用）較短期間內將估計未來現金收入及付款（包括構成實際利率不可或缺一部分的所有已付或已收費用及貼息、交易成本以及其他溢價或折讓）準確貼現為於初步確認時之賬面淨值的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross earning amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產

金融資產的分類及後續計量

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃以目的為收取合約現金流量的業務模式持有；及
- 合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金金額的利息。

攤銷成本及利息收入

就其後按攤銷成本計量的金融資產，利息收入使用實際利率法確認。就並非收購或產生的信貸已減值金融資產的金融工具，利息收入使用實際利率按金融資產賬面總值計算，惟其後信貸已減值的金融資產除外（見下文）。就其後信貸已減值的金融資產，利息收入乃自下一個報告期間起使用實際利率按金融資產的攤銷成本確認。倘信貸減值金融工具的信貸風險改善，金融資產不再信貸減值，則利息收入自釐定資產不再信貸減值後的報告期初起使用實際利率按金融資產的賬面總值確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 including receivables and deposits, amount due from ultimate holding company, amount due from a shareholder, short-term bank deposits and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the management’s assessment on the individual customer’s credit risk grading dependent on the customer’s financial performance, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 重大會計政策概要(續)

(g) 金融工具(續)

金融資產(續)

金融資產減值

本集團就根據國際財務報告準則第9號面臨減值的金融資產(包括應收款項及按金、應收最終控股公司款項、應收股東款項、短期銀行存款及銀行結餘)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具預計全期內所有可能違約事件產生的預期信貸虧損。相反，12個月預期信貸虧損(「**12個月預期信貸虧損**」)指預計於報告日期後12個月內可能發生的違約事件產生的部分全期預期信貸虧損。評估乃根據管理層視乎客戶的財務表現對個別客戶的信貸風險等級之評估，並就債務人特定因素、一般經濟狀況以及對於報告日期之當時狀況及未來狀況預測的評估作調整。

本集團始終確認貿易應收款項的全期預期信貸虧損。該等資產的預期信貸虧損進行個別評估。

就所有其他工具而言，本集團計量虧損撥備等於12個月預期信貸虧損，除非當金融工具的信貸風險自初始確認以來顯著上升，在此情況下，虧損撥備按相等於全期預期信貸虧損的金額計量。評估是否應確認全期預期信貸虧損乃根據自初始確認以來發生違約的可能性或風險顯著上升。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Other financial asset measured at fair value, including equity securities measured at fair value through profit or loss ("FVPL") are not subject to the ECL assessment.

- (i) Significant increase in credit risk
- In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument assessed as at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without resources by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor;

3. 重大會計政策概要(續)

(g) 金融工具(續)

金融資產(續)

金融資產減值(續)

按公平值計量的其他金融資產(包括按公平值計入損益(「按公平值計入損益」)的權益證券)無須進行預期信貸虧損評估。

- (i) 信貸風險大幅增加
- 於評估金融工具的信貸風險是否自初始確認以來大幅增加時，本集團比較金融工具於報告日期評估出現違約的風險與該金融工具於初始確認日期評估出現違約的風險。作此評估時，本集團認為，倘(i)借款人不大可能在本集團無資源採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 未能於合約到期日支付本金或利息；
- 金融工具外部或內部信貸評級(如有)的實際或預期重大惡化；
- 債務人經營業績的實際或預期重大惡化；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its debt obligations to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

- (ii) Definition of default
- For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

3. 重大會計政策概要(續)

(g) 金融工具(續)

金融資產(續)

金融資產減值(續)

- (i) 信貸風險大幅增加(續)
- 技術、市場、經濟或法律環境的現有或預測變動對債務人履行其對本集團債務責任的能力構成重大不利影響。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明則當別論。

本集團定期監控用以識別信用風險有否大幅增加之標準的效力，並修訂標準（如適當）以確保標準能在金額逾期前識別信貸風險大幅增加。

- (ii) 違約的定義
- 就內部信貸風險管理而言，本集團認為，違約事件在內部制定或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款時發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable events:

- (a) significant financial difficulty of the debtor;
- (b) a breach of contract, such as a default or past due event;
- (c) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (d) significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iii) 信貸已減值金融資產

於各報告日期，本集團評估金融資產是否出現信貸減值。金融資產在一項或以上違約事件（對該金融資產估計未來現金流量構成不利影響）發生時維持信貸減值。金融資產出現信貸減值的證據包括有關下列可觀察事件：

- (a) 債務人的重大財務困難；
- (b) 違反合約（如違約或逾期事件）；
- (c) 借款人將可能陷入破產或其他財務重組；
- (d) 技術、市場、經濟或法律環境出現對債務人有不利影響的重大變動；或
- (e) 該金融資產的活躍市場因財務困難而消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 重大會計政策概要(續)

(g) 金融工具(續)

金融資產(續)

金融資產減值(續)

(iv) 撇銷政策

倘有資料顯示對手方面對嚴重財務困難，且實際上並無收回款項的前景（如對手方被清盤或進入破產程序，或（如為貿易應收款項）金額已逾期超過兩年（以較早發生者為準）），則本集團會撇銷金融資產。經考慮法律意見後（倘合適），撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回款項於損益中確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率（即違約損失程度）及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的歷史數據評估。

預期信貸虧損的預估乃無偏概率加權金額，以發生相關違約的風險為權重確定。一般而言，預期信貸虧損按本集團根據合約應收的所有合約現金流量與本集團預計收取的現金流量的差額估計，並按初始確認時釐定的實際利率貼現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities

The Group's other financial liabilities including payables and accrued charges are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the considerations paid and payable is recognised in profit or loss.

3. 重大會計政策概要 (續)

(g) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(v) 預期信貸虧損的計量及確認 (續)

本集團通過調整賬面值於損益內確認所有金融工具的減值收益或虧損，惟貿易應收款項除外，其相應調整透過虧損撥備賬確認。

一間集團實體發行的債務及股本工具乃根據合約安排內容及就金融負債及股本工具的定義分類為金融負債或股本。

股本工具

股本工具是指證明任何在扣除所有負債後實體的資產剩餘權益的合約。集團實體發行的股本工具乃按已收所得款項(扣除直接發行成本)確認。

其他金融負債

本集團的其他金融負債(包括應付款項及應計費用)其後以實際利率法按攤銷成本計量。

終止確認金融負債

本集團乃於及僅於本集團之責任獲解除、註銷或到期時終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之間之差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

3. 重大會計政策概要(續)

(h) 租賃資產

在合同訂立之時，本集團評估合同是否為租賃或者包含租賃。倘合同於一段時間內轉讓已識別資產的使用控制權以換取代價，則該合同為租賃或包含租賃。倘客戶已有權指示已識別資產的用途以及從該用途中獲得絕大部分經濟利益時，即表示控制權已轉讓。

(i) 作為承租人

倘合約包含租賃部分及非租賃部分，本集團已選擇不區分非租賃部分，並就所有租賃將各租賃部分及任何相聯非租賃部分入賬為單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值資產的租賃則除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等租賃有關的未資本化租賃付款於租期內系統化確認為開支。

如租賃資本化，租賃負債初始按租期內應付租賃付款的現值確認，並使用租賃內含利率（或如該利率無法即時釐定，則按有關增量借款利率）折現。於初始確認後，租賃負債以攤銷成本計量，利息開支則使用實際利率法計算。不取決於指數或利率的可變租賃付款並不計入租賃負債的計量，故於其產生之會計期間自損益扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(h) Leased assets *(Continued)*

(i) As a lessee *(Continued)*

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 3(c) and 3(h)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property in accordance with note 3(d); and
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at cost in accordance with note 3(c).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see notes 3(g)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

租賃資本化時確認的使用權資產初始按成本計量，包括租賃負債初始金額加開始日期當日或之前作出的任何租賃付款，以及所引致的任何初始直接成本。如適用，使用權資產成本亦包括在相關資產所在地拆除相關資產或恢復相關資產的估計成本，折現至其現值，減任何已收租賃獎勵。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註3(c)及3(h)），惟以下類型的使用權資產除外：

- 符合投資物業定義之使用權資產根據附註3(d)入賬；及
- 與租賃土地及樓宇有關的使用權資產（本集團為租賃權益的註冊擁有人）根據附註3(c)按成本列賬。

根據適用於按攤銷成本列賬的債務證券投資的會計政策，可退還租金按金的初始公平值與使用權資產分開入賬（見附註3(g)）。初始公平值與按金面值之間的任何差額，列為額外租賃付款入賬，並計入使用權資產成本中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(h) Leased assets (Continued)

(i) As a lessee (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of IFRS 16 Leases. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

3. 重大會計政策概要(續)

(h) 租賃資產(續)

(i) 作為承租人(續)

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據剩餘價值擔保估計應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

當租賃範疇發生變化或租賃合同原先並無規定的租賃代價發生變化(「**租賃修改**」)，且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在該情況下，租賃負債根據經修訂的租賃付款和租賃期限，使用經修訂的貼現率在修改生效日重新計量。因COVID-19疫情而直接產生的租金減免，並僅當國際財務報告準則第16號租賃第46B段所載的條件獲滿足的情況下除外。在該等情況下，本集團已利用實際權宜方法不評估租金減免是否為租賃修改，並於觸發租金減免的事件或條件發生期間於損益確認代價變動為負可變租賃付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(h) Leased assets *(Continued)*

(i) As a lessee *(Continued)*

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the consolidated statement of financial position.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised.

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption, then the Group classifies the sub-lease as an operating lease.

3. 重大會計政策概要 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

於綜合財務狀況表內，長期租賃負債的即期部分釐定為應於報告期結束後十二個月內結算的合同付款的現值。

本集團將不符合投資物業定義的使用權資產與租賃負債分別呈列於綜合財務狀況表。

(ii) 作為出租人

倘本集團作為出租人，其於租賃開始時釐定各租賃為融資租賃或經營租賃。倘租賃轉移相關資產所有權附帶之絕大部分風險及回報至承租人，則租賃分類為融資租賃。否則，租賃分類為經營租賃。

倘合約包含租賃及非租賃部分，本集團按相關單獨售價基準將合約代價分配至各部分。經營租賃所得租金收入已確認。

倘本集團為中介出租人，分租賃乃參考主租賃產生的使用權資產，分類為融資租賃或經營租賃。倘主租賃乃短期租賃而本集團應用豁免，則本集團將分租賃分類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(i) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see note 3(g)).

(j) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 3(g), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 3(g).

3. 重大會計政策概要(續)

(i) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時確認。倘代價到期付款前僅需待時間推移，則收取代價之權利為無條件。倘收益在本集團有無條件權利收取代價前經確認，則金額呈列為合約資產。

並無重大融資成分的貿易應收款項初步按其交易價格計量。包含重大融資成分的貿易應收款項及其他應收款項初步按公平值加交易成本計量。所有應收款項其後採用實際利率法按攤銷成本列賬（包括信貸虧損撥備（見附註3(g)））。

(j) 貿易及其他應付款項

貿易及其他應付款項初始按公平值確認。除根據附註3(g)計算的金融擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，於此情況下，則按發票金額入賬。

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構的活期存款以及購入後於三個月內到期可隨時轉換為已知金額現金的短期高流通性並且價值改變風險不大的投資。在編製綜合現金流量表時，現金及現金等價物亦包括須按要求償還及構成本集團現金管理一部分的銀行透支。現金及現金等價物根據附註3(g)所載政策評估預期信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(I) Revenue

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

3. 重大會計政策概要 (續)

(I) 收入

本集團於(或由於)達成履約責任時(即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時)確認收入。

履約責任指一項明確貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下條件之一，控制權按時間轉移，而收入經參考完全達成相關履約責任的進度按時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創造及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，於客戶獲得明確貨品或服務控制權時確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(I) Revenue (Continued)

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

3. 重大會計政策概要(續)

(II) 收入(續)

委託人相對代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約義務(即本集團為委託人)或安排由另一方提供該等商品或服務(即本集團為代理人)。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

倘本集團的履行義務為安排另一方提供指定的商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的指定商品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定商品或服務預期有權取得的任何收費或佣金的金額確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(m) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and non-monetary benefits are recognised as expense in the period in which the associated services are rendered by employees of the Group. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Retirement benefits costs

Contributions to defined contribution retirement plans are recognised as an expense when employees have rendered services entitling them to the contributions. The Group has no further payment obligations once these contributions have been paid.

For LSP obligation, the Group accounts for the employer MPF contributions expected to be offsetted as a deemed employee contribution towards the LSP obligation in term of IAS 19 paragraph 93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees

3. 重大會計政策概要 (續)

(m) 僱員福利

(i) 短期僱員福利

工資、薪金、花紅及非金錢利益於本集團僱員提供相關服務的期間確認為開支。短期非累積有薪休假(如病假)於休假時確認。

(ii) 退休福利成本

向界定供款退休計劃作出的供款於僱員提供服務致使彼等合資格享有供款時確認為開支。本集團一經繳付該等供款後再無進一步付款責任。

就長期服務金責任而言，本集團根據國際會計準則第19號第93(a)段將預期將會被抵銷之僱主強積金供款作為僱員對長期服務金責任之視作供款入賬，並按淨額基準計量。未來福利的估計金額於扣減源自本集團授予僱員之強積金供款(被視為相關僱員之供款)之應計福利所產生的負服務成本後釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(n) Foreign currency

(i) Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

(ii) Translation reserve

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Ringgit Malaysia using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

3. 重大會計政策概要(續)

(n) 外幣

(i) 交易及結餘

本年度的外幣交易乃按於交易日期適用的外幣匯率換算。以外幣計值的貨幣資產及負債乃按報告期末適用的外幣匯率換算。匯兌收益及虧損於損益確認。

根據歷史成本計量並以外幣為單位之非貨幣資產及負債，乃採用於交易日期之適用的外幣匯率換算。交易日為本公司初始確認有關非貨幣資產或負債的日期。按公平值列賬並以外幣列值之非貨幣資產及負債，乃採用於釐定公平值當日適用之外幣匯率換算。

(ii) 匯兌儲備

就呈列綜合財務報表而言，本集團海外業務的資產及負債乃採用報告期末現行匯率以令吉列賬。收入及開支項目乃按年內平均匯率兌換，除非該年內匯率大幅波動，在此情況下採用交易日期的匯率計算。所產生匯兌差額（如有）乃於其他全面收益確認並於匯兌儲備項下權益累計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(o) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

3. 重大會計政策概要 (續)

(o) 稅項

所得稅開支是指即期應付稅項與遞延稅項的總和。

即期稅項

即期應付稅項乃根據年內的應課稅溢利計量。應課稅溢利與綜合損益及其他全面收益表中呈報的除稅前虧損不同，原因在於其他年度的應課稅收入或可扣稅開支項目，及從未課稅或不可扣稅的項目。本集團的即期稅項以各報告期末已頒佈或實質已頒佈的稅率計算。

遞延稅項

遞延稅項按綜合財務報表中資產及負債賬面值與其用於計算應課稅溢利的相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額予以確認。遞延稅項資產一般於有可能有應課稅溢利可動用以抵銷可扣減暫時差額的情況下，就所有可扣減暫時差額確認。倘於初步確認（惟業務合併除外）交易的資產及負債時產生暫時差額不影響應課稅溢利或會計溢利，且於交易時並無產生同等應課稅及可扣減暫時差額，則不會確認有關遞延稅項資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(o) Taxation (Continued)

Deferred tax (Continued)

The carrying amount of deferred tax assets, if any, is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 重大會計政策概要(續)

(o) 稅項(續)

遞延稅項(續)

遞延稅項資產賬面值(如有)於各報告期末審閱,並在不再可能有足夠應課稅溢利以供收回全部或部分資產的情況下調減。

遞延稅項負債及資產根據各報告期末已頒佈或實質已頒佈的稅率(及稅法),按預期償付負債或變現資產期內適用的稅率計算。

遞延稅項負債及資產的計量反映按照本集團於各報告期末收回或清償其資產及負債賬面值所預期方式的稅務後果。

即期及遞延稅項於損益內確認,惟倘其涉及於其他全面收益或直接於權益內確認的項目,則即期及遞延稅項亦分別於其他全面收益或直接於權益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(o) Taxation (Continued)

Deferred tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

3. 重大會計政策概要 (續)

(o) 稅項 (續)

遞延稅項 (續)

即期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予抵銷。倘本公司或本集團擁有以即期稅項資產抵銷即期稅項負債之法律強制執行權，以及符合以下之額外條件時，即期稅項資產才會與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就即期稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或
- 就遞延稅項資產及負債而言，如該資產及負債涉及之所得稅乃由同一個稅務機關向以下各方徵收：
 - 同一個應課稅實體；或
 - 不同應課稅實體，但於每一段未來期間，預期將償還或收回龐大之遞延稅項負債或資產，計劃以淨額方式變現即期稅項資產及償還即期稅項負債或同時變現資產及償還負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

(p) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to Mr. Loh Swee Keong, the director of the Group (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. 重大會計政策概要(續)

(p) 分部報告

經營分部及於財務報表內呈報的各分部項目金額自定期提供予本集團董事Loh Swee Keong先生(首席經營決策人)就資源分配及評估本集團的各項業務及地理位置的表現的財務資料中識別出來。

個別而言屬於重大的經營分部不會在財務報告中予以總計，除非這些分部擁有相若的經濟特性，而且其產品和服務性質、生產流程性質、客戶的類型或類別、用以分銷產品或提供服務的方法以及監管環境的性質均相若。如果個別而言並非屬於重大的經營分部擁有以上大部分特徵可能匯總成一分部列示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(q) Intangible asset

Intangible asset include those acquired through business combination. Intangible asset acquired through business combinations are recognized as asset separate from goodwill if they satisfy either the “contractual legal” or “separability” criterion. Intangible assets arising from business combinations are measured at fair value upon acquisition using valuation techniques such as discounted cash flow analysis and ratio analysis with reference to comparable companies in similar industries under the income approach, market approach and cost approach. Major assumptions used in determining the fair value of these intangible assets include future growth rates and weighted average cost of capital. Purchased intangible asset is initially recognized and measured at cost upon acquisition. Separately identifiable intangible asset that have determinable lives continue to be amortized over their estimated useful lives using the straight-line method as follows:

E-commerce platform	5 years

(r) Goodwill

The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

3. 重大會計政策概要 (續)

(q) 無形資產

無形資產包括透過業務合併取得的無形資產。倘透過業務合併收購無形資產滿足「合法合同」或「可分性」準則，則獨立於商譽確認為資產。因業務合併產生的無形資產於收購時採用估值方法（例如現金流量折現分析及參考類似行業可比公司的比率分析）根據收益法、市場法及成本法按公平值計量。釐定該等無形資產公平值時所用的主要假設包括未來增長率及加權平均資本成本。購入的無形資產於收購時初始確認並按成本計量。可單獨辨識的有確定使用年期的無形資產於其估計可使用年期內繼續採用直線法攤銷如下：

電子商務平台	5年

(r) 商譽

於業務合併中轉讓的代價乃按所獲資產、已發行之權益工具及所產生之負債以及任何或然代價於收購日期之公平值計量。收購相關成本於產生成本及接受服務期間確認為開支。於收購時，附屬公司之可識別資產及負債均按其於收購日期之公平值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF MATERIAL ACCOUNTING

POLICIES (Continued)

(r) Goodwill (Continued)

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(s) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive processes and whether the acquired set has the ability to produce outputs.

3. 重大會計政策概要(續)

(r) 商譽(續)

轉讓代價之總和超出本集團應佔附屬公司可識別資產及負債之公平淨值之差額列作商譽。本集團應佔可識別資產及負債之公平淨值超出轉讓代價之任何金額乃於綜合損益內確認為本集團應佔議價收購之收益。

於初始確認後，商譽乃按成本減累計減值虧損計量。就減值測試而言，於業務合併中收購的商譽會分配至各現金產生單位（「現金產生單位」）或現金產生單位組別（預期從合併中獲取協同利益）。獲分配商譽的每個單位或單位組別代表於本集團內為內部管理而監測商譽的最低級別。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時頻繁檢討。含有商譽之現金產生單位之賬面值與其可收回金額作比較，可收回金額為使用價值與公平值減出售成本兩者之較高者。任何減值即時確認為開支，且其後不會撥回。

(s) 業務合併

當所收購的一組業務活動及資產符合業務定義且控制權轉移至本集團時，本集團就業務合併使用收購法入賬。釐定一組特定業務活動及資產是否屬於業務時，本集團評估所收購的一組資產及業務活動是否最少包括投入及實質流程，以及所收購的組合是否有能力產生輸出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually.

The Group uses simplified approach in calculating allowance of ECL for trade receivables by applying an ECL rate. The ECL rate is determined based on the management's assessment on the individual customer's credit risk grading dependent on the customer's financial performance, adjusted for factors that are specific to the debtors, general economic conditions at the reporting date and forward-looking information that is reasonable and supportable without undue cost or effort, including time value of money where appropriate. At each reporting date, the ECL rate is remeasured.

4. 估計不確定因素的主要來源

於應用本集團會計政策（於附註3載述）時，本公司董事須就並非顯然從其他來源得到的資產及負債賬面值作出判斷、估計及假設。估計及相關假設按照過往經驗及其他視為相關的因素作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。倘修訂僅影響估計作出修訂的期間，則會計估計修訂會於該期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

以下為有關未來的主要假設，及於各報告期末的估計不確定因素其他主要來源，其重大風險為會對未來12個月內的資產及負債賬面值構成重大調整。

貿易應收款項的預期信貸虧損撥備

會對出現重大結餘及信貸減值的貿易應收款項單獨評估預期信貸虧損。

本集團通過應用一個預期信貸虧損比率，使用簡化方法計算貿易應收款項的預期信貸虧損撥備。該預期信貸虧損比率乃根據管理層對個別客戶信貸風險等級的評估而釐定，其取決於客戶的財務表現、就債務人特定的因素、於報告日期的整體經濟狀況及毋須花費不必要成本或努力即可獲得合理且有依據的前瞻性資料作出調整，包括金錢的時間價值（如合適）。於各報告日期，預期信貸虧損比率重新計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(a) Disaggregation of revenue from contracts with customers under IFRS 15:

5. 收入及分部資料

(a) 國際財務報告準則第15號項下客戶合約收入之分類：

		Year ended 31 May 2025 截至2025年 5月31日 止年度 Total 總計 RM'000 千令吉	Year ended 31 May 2024 截至2024年 5月31日 止年度 Total 總計 RM'000 千令吉
Continuing operations	持續經營業務		
Manufacturing and trading:	製造及貿易：		
Sales of manufactured goods	製成品銷售	29,468	29,287
Other building materials and services:	其他建築材料及服務：		
Sales of building materials	建築材料銷售	1,760	1,394
E-Commerce platform	電子商務平台	327	–
Total	總計	31,555	30,681
Geographical market:	地區市場：		
Malaysia	馬來西亞	31,228	30,681
China	中國	327	–
Total	總計	31,555	30,681
Timing of revenue recognition	收入確認時間		
At point in time	按時間點	31,555	30,681

Sales of manufactured goods and building materials

Revenue from sales of manufactured goods and building materials is recognised at a point in time when the manufactured goods and building materials are transferred to customers, being at the point that the customer obtains the control of the manufactured goods and building materials; and the Group has present right to payment and collection of the consideration is probable.

製成品及建築材料銷售

製成品及建築材料的銷售收入於製成品及建築材料轉交予客戶的時間點確認，即客戶獲得製成品及建築材料的控制權；及本集團現時有權支付代價，且代價可收回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(a) Disaggregation of revenue from contracts with customers under IFRS 15: (Continued)

Sourcing services

The Group acts as an agent when its performance obligation is to arrange for provision of specified materials by another party to customer. The Group does not control the specified materials. Therefore, the Group recognises revenue in the amount of commission to which it expects to be entitled in exchange for arranging for the specified materials to be provided by the other party.

E-Commerce platform

The Group provides transaction services, and earns related fees for sales of the products completed on our platforms. The Group does not take control of the products provided by merchants at any point in time during the transactions. Revenues related to transaction services are recognized in consolidated statements of comprehensive income at a point in time when the Group's service obligation to the merchants is determined to have been completed under each sales transaction completed. Variable consideration is estimated and included in the transaction price to the extent that it is probable that a significant revenue reversal will not occur.

(b) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group has applied practical expedient in IFRS 15: paragraph 121 (a) and (b) to not disclose the transaction price allocated to the remaining performance obligations which are part of contracts that have original expected duration of one year or less.

5. 收入及分部資料(續)

(a) 國際財務報告準則第15號項下客戶合約收入之分類： (續)

採購服務

當履約義務為安排另一方向客戶提供指定材料時，本集團作為代理人。本集團並無控制指定物料。因此，本集團確認收入為其預期有權獲得的佣金，以換取安排另一方提供的指定材料。

電子商務平台

本集團提供交易服務，並因促成平台上的產品銷售而賺取相關費用。在交易過程中，本集團在任何時點均不取得由商戶提供的產品的控制權。與交易服務相關的收入，在每筆銷售交易完成時，當本集團對商戶的服務義務被確定已完成之際，於綜合收益表中列報。對於可變對價，本集團會進行估計並將其納入交易價格，其前提是：重大收入轉回的情況不太可能發生。

(b) 分配至與客戶合約的剩餘履約義務之交易價格

本集團已採用國際財務報告準則第15號實際權宜之計：第121(a)及(b)段以不披露分配至剩餘履約義務的交易價格，而該等履約義務屬於原始預期期限為一年或以下的合約的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment

Information reported to Mr. Loh Swee Keong, the director of the Group, being the chief operating decision maker (“**CODM**”), for the purposes of resource allocation and assessment of segment performance is based on the following reportable and operating segments identified under IFRS 8 Operating Segments:

- (a) Manufacturing and trading — manufacturing and trading of precast concrete junction boxes;
- (b) Other building materials and services — trading of accessories and pipes and provision of mobile crane rental and ancillary services;
- (c) Sourcing services — provision of sourcing services;
- (d) Sales of health supplement products — sourcing and sales of health supplement products; and
- (e) E-Commerce platform — sourcing and sales of products online.

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The operations of sourcing services and sales of health supplement products were discontinued in the current period. The following segment information does not include any amount for the discontinued operations, which is described in more details in note 11.

The Group commenced the e-commerce platform during the year ended 31 May 2025 and thus one new segment is resulted and included in the segment reporting and no comparative information for this new segment for the year ended 31 May 2024 is presented.

5. 收入及分部資料(續)

(c) 經營分部

就資源分配及分部表現評估目的而向本集團董事Loh Swee Keong先生(即首席經營決策人(「**首席經營決策人**」))匯報的資料，乃按下列根據國際財務報告準則第8號經營分部識別的可報告及經營分部作出：

- (a) 製造及貿易 — 預製混凝土接線盒的製造及貿易；
- (b) 其他建築材料及服務 — 配件及管道貿易以及提供移動式起重機租賃及配套服務；
- (c) 採購服務 — 提供採購服務；
- (d) 銷售保健產品 — 採購及銷售保健產品；及
- (e) 電子商務平台 — 線上採購及銷售產品。

於達致本集團的可報告分部時，並無匯集計算由首席經營決策人識別的經營分部。

採購服務及銷售保健產品業務已於本期間終止。下列分部資料並不包括任何已終止經營業務金額，詳情請參閱附註11。

本集團於截至2025年5月31日止年度開始使用電子商務平台，因而產生一個新分部，並已納入分部報告，而截至2024年5月31日止年度並無呈列該新分部之比較資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment revenues and results

For the year ended 31 May 2025

Continuing operations

5. 收入及分部資料(續)

(c) 經營分部(續)

分部收入及業績

截至2025年5月31日止年度

持續經營業務

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	E-Commerce platform 電子商務平台 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入				
External sales	外部銷售	29,468	1,760	327	31,555
Segment result	分部業績	8,764	320	303	9,387
Allowance for credit loss	信貸虧損撥備				(666)
Administrative expenses	行政開支				(5,539)
Selling and distribution expenses	銷售及分銷開支				(1,857)
Finance costs	融資成本				(143)
Other income	其他收入				1,036
Share of results of an associate	分佔一間聯營 公司業績				(523)
Profit before taxation	除稅前溢利				1,695

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment revenues and results (Continued)

For the year ended 31 May 2024

Continuing operations (Continued)

5. 收入及分部資料(續)

(c) 經營分部(續)

分部收入及業績(續)

截至2024年5月31日止年度

持續經營業務(續)

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Total 總計 RM'000 千令吉 (Restated) (經重列)
Revenue	收入			
External sales	外部銷售	29,287	1,394	30,681
Segment result	分部業績	8,245	314	8,559
Allowance for credit loss	信貸虧損撥備			(526)
Administrative expenses	行政開支			(5,936)
Selling and distribution expenses	銷售及分銷開支			(1,356)
Finance costs	融資成本			(133)
Other income	其他收入			963
Share of results of an associate	分佔一間聯營 公司業績			61
Profit before taxation	除稅前溢利			1,632

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies as described in note 3. Segment results represents the profit from each segment without allocation of administrative expenses, selling and distribution expenses, finance costs, other income and taxation. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

As at 31 May 2025

Continuing and discontinued operations

5. 收入及分部資料(續)

(c) 經營分部(續)

分部收入及業績(續)

經營分部的會計政策與附註3所述的本集團會計政策相同。分部業績乃指未分配行政開支、銷售及分銷開支、融資成本、其他收入及稅項前各分部的溢利。此為就資源分配及表現評估目的而報告予首席經營決策人的計量方法。

分部資產及負債

下文為按可報告及經營分部劃分的本集團資產及負債分析：

於2025年5月31日

持續及已終止經營業務

		Manufacturing and trading	Other building materials and services 其他建築材料及服務	E-Commerce platform	Segment assets (liabilities) 分部資產 (負債)	Unallocated	Discontinued operations 已終止經營業務	Consolidated assets (liabilities) 綜合資產 (負債)
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Non-current assets	非流動資產	6,647	19	151	6,817	15,578	—	22,395
Current assets	流動資產	29,108	1,301	293	30,702	1,391	675	32,768
Non-current liabilities	非流動負債	(2,720)	—	(73)	(2,793)	(3,567)	—	(6,360)
Current liabilities	流動負債	(7,956)	(1,107)	(456)	(9,519)	(1,069)	(1,507)	(12,095)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Segment assets and liabilities (Continued)

As at 31 May 2024

Continuing and discontinued operations

5. 收入及分部資料(續)

(c) 經營分部(續)

分部資產及負債(續)

於2024年5月31日

持續及已終止經營業務

		Other building materials and services 其他建築材料 及服務	E-Commerce platform 電子商務平台	Segment assets (liabilities) 分部資產 (負債)	Unallocated	Discontinued operations 已終止 經營業務	Consolidated assets (liabilities) 綜合資產 (負債)
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Non-current assets	非流動資產	3,740	23	-	3,763	4,243	-
Current assets	流動資產	31,640	7,044	-	38,684	2,715	42,601
Non-current liabilities	非流動負債	(95)	-	-	(95)	-	(95)
Current liabilities	流動負債	(7,144)	(1,940)	-	(9,084)	(3,495)	(14,214)

All assets and liabilities are allocated to operating segments other than certain cash on hand and at bank, other payables, current and deferred tax assets and liabilities.

除若干手頭及銀行現金、其他應付款項、流動及遞延稅項資產及負債外，所有資產及負債分配至經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Other segment information

For the year ended 31 May 2025

Continuing operations

5. 收入及分部資料(續)

(c) 經營分部(續)

其他分部資料

截至2025年5月31日止年度

持續經營業務

	Manufacturing and trading	Other building materials and services	E-Commerce platform	Total
	製造及貿易	其他建築材料及服務	電子商務平台	總計
	RM'000	RM'000	RM'000	RM'000
	千令吉	千令吉	千令吉	千令吉
Amounts included in the measure of segment profit or loss or segment assets:				
Additions to non-current assets	12,238	-	-	12,238

For the year ended 31 May 2024

Continuing operations

截至2024年5月31日止年度

持續經營業務

	Manufacturing and trading	Other building materials and services	E-Commerce platform	Total
	製造及貿易	其他建築材料及服務	電子商務平台	總計
	RM'000	RM'000	RM'000	RM'000
	千令吉	千令吉	千令吉	千令吉
Amounts included in the measure of segment profit or loss or segment assets:				
Additions to non-current assets	560	-	-	560

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Geographical information

The Group earns revenue from external customers in two main geographical areas:

- (i) Malaysia — manufacturing and trading; and other building material and services
- (ii) China — e-commerce platform

Information about the Group's revenue from external customers is presented based on the location of the operations, as follows:

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Continuing operations	持續經營業務		
Malaysia	馬來西亞	31,228	30,681
China	中國	327	—
		31,555	30,681

5. 收入及分部資料(續)

(c) 經營分部(續)

地區資料

本集團自兩個主要地區外部客戶賺取收入：

- (i) 馬來西亞 — 製造及貿易；及其他建築材料及服務
- (ii) 中國 — 電子商務平台

有關本集團來自外部客戶收入的資料乃按業務地點呈列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

(c) Operating Segment (Continued)

Geographical information (Continued)

The following is an analysis of the carrying amount of segment assets, capital addition in respect of property, plant and equipment by the geographical areas in which the assets are located:

		Non-current assets 非流動資產	
		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Malaysia	馬來西亞	16,707	4,540
China	中國	5,688	3,466
		22,395	8,006

Information about major customers

No customers contribute over 10% of total revenue of the Group for the year ended 31 May 2025 (2024: nil).

5. 收入及分部資料(續)

(c) 經營分部(續)

地區資料(續)

以下為按資產所在地區劃分的分部資產、就物業、廠房及設備增資的賬面值分析：

主要客戶資料

概無客戶為本集團截至2025年5月31日止年度的總銷售額貢獻逾10% (2024年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS

Details of the emoluments paid or payable to the Directors of the Company disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 May 2025

6. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部所披露的已付或應付本公司董事的酬金詳情如下：

截至2025年5月31日止年度

		Executive Directors 執行董事		Independent Non-executive Directors 獨立非執行董事				Total 總計
		Mr. Loh Swee Keong Loh Swee Keong 先生	Mr. Chu Kin Ming 朱健明先生	Mr. Yau Ka Hei 邱家禧先生	Mr. She Shing Albert Ma 馬希聖先生	Mr. Kwok Tsz Hin 郭子軒先生	Ms. Chan Sheung Yu 陳湘洳女士	
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Directors:	董事：							
Fees	袍金	840	–	42	42	21	21	966
Bonus	花紅	80	–	–	–	–	–	80
Other emoluments:	其他薪酬：							
Contributions to Employees Provident Fund ("EPF") (Note)	僱員公積金 (「僱員公積金」) 供款(附註)	312	–	–	–	–	–	312
Total	總計	1,232	–	42	42	21	21	1,358

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS (Continued) For the year ended 31 May 2024

6. 董事酬金(續) 截至2024年5月31日止年度

		Executive Directors 執行董事	Independent Non-executive Directors 獨立非執行董事					
		Mr. Loh Swee Keong Loh Swee Keong先生 RM'000 千令吉	Mr. Chu Kin Ming 朱健明先生 RM'000 千令吉	Mr. Yau Ka Hei 邱家禧先生 RM'000 千令吉	Mr. She Shing Albert Ma 馬希聖先生 RM'000 千令吉	Mr. Kwok Tsz Hin 郭子軒先生 RM'000 千令吉	Ms. Chan Sheung Yu 陳湘迦女士 RM'000 千令吉	Total 總計 RM'000 千令吉
Directors:	董事：							
Fees	袍金	715	20	45	45	17	–	842
Bonus	花紅	800	–	–	–	–	–	800
Other emoluments:	其他薪酬：							
Contributions to Employees Provident Fund (“EPF”) (Note)	僱員公積金 (「僱員公積金」) 供款(附註)	136	–	–	–	–	–	136
Total	總計	1,651	20	45	45	17	–	1,778

Note:

The Group is required by Malaysian law to make monthly contributions to the EPF, a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' applicable remuneration. Contributions are charged to profit or loss in the period in which they relate. The contributions to EPF are disclosed separately and the contributions to EPF are included in salaries, bonuses, allowances and other staff benefits. Once the contributions have been paid, the Group has no further payment obligations. No forfeited contribution is available to reduce the contribution payable in future year.

附註:

馬來西亞法例要求本集團按月向僱員公積金供款，其為根據僱員適用薪酬的若干訂明比率，為所有符合資格僱員提供法定界定供款的計劃。供款於相關期內的損益扣除。僱員公積金的供款為各別披露，而向僱員公積金作出的供款計入薪金、花紅、津貼及其他僱員福利。一旦作出供款，本集團概無進一步供款責任。於未來年度，概無可供扣減應付供款的已沒收供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. DIRECTORS' EMOLUMENTS (Continued)

During the years ended 31 May 2024 and 2025, no emoluments were paid by the Group to the Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

No Directors' emoluments were waived during the years ended 31 May 2024 and 2025.

The Executive Directors' emoluments shown were mainly for their services in connection with the management of the affairs of the Group and of the Company. The Independent Non-executive Directors' emoluments were for their services as Directors of the Company.

7. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year included 1 (2024: 1) Director whose remuneration are set out in Note 6. The remuneration for the remaining 4 (2024: 4) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

6. 董事酬金 (續)

截至2024年及2025年5月31日止年度，本集團並無向本公司董事支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

截至2024年及2025年5月31日止年度，概無董事放棄酬金。

所列示的執行董事酬金乃主要為彼等就提供有關管理本集團及本公司事務的服務所得酬金。獨立非執行董事之酬金乃為彼等作為本公司董事所提供服務之所得酬金。

7. 五名最高薪酬個人

於本年度，本集團五名最高薪酬個人包括1名（2024年：1名）董事，有關薪酬詳情載於附註6。餘下4名（2024年：4名）最高薪酬僱員（非本公司董事或主要行政人員）的薪酬載列如下：

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Salaries and allowances	薪金及津貼	723	707
Bonuses	花紅	40	115
Contributions to EPF	僱員公積金供款	122	109
		885	931

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7. FIVE HIGHEST PAID INDIVIDUALS (Continued)

The number of the highest paid individuals (other than the directors) whose remuneration fell within the following bands is as follows:

	2025 2025年	2024 2024年
Nil to HKD1,000,000 零至1,000,000港元	4	4

During the years ended 31 May 2024 and 2025, no emoluments were paid by the Group to the five highest paid employees of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

7. 五名最高薪酬個人(續)

以下載列最高薪酬個人(董事除外)(薪酬介乎以下範圍)的人數：

截至2024年及2025年5月31日止年度，本集團並無向本公司五名最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

8. FINANCE COSTS

	2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Continuing operations 持續經營業務		
Interest expense on lease liabilities 租賃負債的利息開支	24	24
Commitment fees 承諾費	9	10
Interest expense on promissory notes 承兌票據利息開支	110	99
	143	133

8. 融資成本

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/
(crediting):

Continuing operations

9. 除稅前溢利

除稅前溢利扣除／(計入)以下各項後達
致：

持續經營業務

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉 (Restated) (經重列)
Auditors' remuneration	核數師薪酬		
— audit services	— 審核服務	471	498
Cost of inventories recognised as an expense	確認為開支的存貨成本	14,130	15,995
Staff costs, excluding directors' remuneration:	員工成本，不包括董事 薪酬：		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	3,781	3,510
— Retirement benefit scheme contributions	— 退休福利計劃供款	297	281
		4,078	3,791
Short-term lease payments not included in the measurement of lease liabilities:	未計入計量租賃負債的 短期租賃付款：		
Crane	起重機	377	42
Office equipment	辦公設備	7	8
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	894	685
Investment property	投資物業	4	4
Right-of-use assets	使用權資產	651	568
Intangible assets	無形資產	265	—
(Reversal of allowance)/allowance for credit losses, net:	(信貸虧損撥備撥回)／ 信貸虧損撥備淨額：		
Trade receivables	貿易應收款項	(98)	94
Deposits paid	已付按金	764	432
		666	526
Rental income from investment property	投資物業的租金收入	—	(61)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的 收益	(35)	(136)
Interest income on:	以下各項之利息收入：		
Deposits at bank	銀行存款	(910)	(764)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. TAXATION

10. 稅項

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Continuing operations	持續經營業務		
Malaysia corporate income tax:	馬來西亞企業所得稅：		
Current year	本年度	1,242	1,099
(Over)/under-provision of income tax in prior year	過往年度所得稅(超額撥備)/撥備不足	(44)	76
		1,198	1,175
Deferred tax (Note 26):	遞延稅項(附註26)：	16	(36)
		1,214	1,139

Malaysia corporate income tax is calculated at the statutory tax rate of 24% (2024: 24%) on the estimated assessable profits for each of the assessable year.

馬來西亞企業所得稅就各應課稅年度的估計應課稅溢利按法定稅率24%(2024年：24%)計算。

Hong Kong Profits Tax is calculated at a rate of 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25%, and the remaining assessable profits are taxed at 16.5%. Such basis had been applied for the calculation of the provision for Hong Kong Profits Tax for this subsidiary for the year ended 31 May 2025.

香港利得稅乃根據年內之估計應課稅溢利按16.5%(2024年：16.5%)之稅率計算，惟本集團一間附屬公司為利得稅兩級制下的合資格公司除外。就該附屬公司而言，首2,000,000港元的應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利則按16.5%的稅率徵稅。截至2025年5月31日止年度，該基準已應用於計算此附屬公司之香港利得稅撥備。

Hong Kong Profits Tax has not been provided for the years ended 31 May 2024 as there is no assessable profits for both years.

由於截至2024年5月31日止年度並無應課稅溢利，故並無就該兩個年度計提香港利得稅撥備。

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10. TAXATION (Continued)

The taxation for the year can be reconciled to the profit before taxation as follows:

10. 稅項 (續)

年度稅項與除稅前溢利的對賬如下：

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉 (Restated) (經重列)
Profit before taxation	除稅前溢利		
— From continuing operations	— 來自持續經營業務	1,695	1,632
Statutory tax rate	法定稅率	24%	24%
Taxation at applicable statutory tax rate	按適用法定稅率計算的稅項	407	392
Tax effects of:	以下各項的稅務影響：		
Expenses not deductible for tax purpose	不可扣稅開支	279	234
Income not taxable for tax purpose	毋須課稅收入	(59)	(283)
Tax effect of share of profits of associates	分佔聯營公司溢利的稅務影響	86	(10)
Effect of different tax rate of entities operating in other jurisdictions	於其他司法權區經營的實體的不同稅率影響	180	212
(Over)/under-provision of income tax in prior year	過往年度所得稅(超額撥備)/撥備不足	(44)	76
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	365	518
Taxation for the year	年度稅項	1,214	1,139

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綜合財務報表附註

11. DISCONTINUED OPERATIONS

The sales of health supplements business and the sourcing services of materials business were discontinued during the year due to change in business strategy and management has dedicated more resources to the development, manufacturing and trading of precast concrete junction boxes business. Therefore, the decision was made to cease operations in the health supplements and the sourcing services of materials business in order to consolidate resources for continuing operations or other business opportunities. These discontinued segments are classified as "Discontinued Operations" in 2024.

The results of the discontinued operations, which have been included in the loss for the year, were as follows.

11. 已終止經營業務

年內，保健產品銷售業務及物料採購服務業務已終止，乃由於業務策略的改變，以及管理層將更多資源用於預製混凝土接線盒的開發、製造及貿易業務。因此決定停止保健產品經營業務及物料採購服務業務，以鞏固資源來進行持續經營業務或探索其他業務機會。該等已終止經營分部於2024年分類為「已終止經營業務」。

已終止經營業務之業績（已計入年內虧損）如下。

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Other income	其他收入	63	—
Allowance for credit loss, net	信貸虧損撥備淨額	(424)	(344)
Administrative expenses	行政開支	(38)	(41)
Loss before taxation	除稅前虧損	(399)	(385)
Loss for the year from the discontinued operations and attributable to owners at the Company	來自己終止經營業務及本公司擁有人應佔年內虧損	(399)	(385)
Loss for the year from the discontinued operations is derived after charging/(crediting) the following:	來自己終止經營業務之年內虧損乃經扣除／（計入）以下各項：		
Auditor's remuneration	核數師酬金	34	37
Unrealised (gain)/loss on foreign exchange	未變現外匯（收益）／虧損	(63)	3
Cash used in discontinued operations	已終止經營業務所用現金		
Net cash used in operating activities	經營活動所用現金淨額	—	—
Net cash outflow	現金流出淨額	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share is based on the following data:

12. 每股盈利(虧損)

每股基本盈利(虧損)乃根據下列數據計算：

		2025 2025 年	2024 2024 年 (Restated) (經重列)
Continuing operations	持續經營業務		
Earnings	盈利		
Profit for the year attributable to the owners of the Company (RM'000)	本公司擁有人應佔年內溢利 (千令吉)	481	493
Number of shares	股份數目		
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	16,008,173	13,575,591
Basic earnings per share (RM cent per share)	每股基本盈利 (每股仙令吉)	3.00	3.63
Discontinued operations	已終止經營業務		
Loss	虧損		
Loss for the year attributable to the owners of the Company (RM'000)	本公司擁有人應佔年內虧損 (千令吉)	(399)	(385)
Number of shares	股份數目		
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	16,008,173	13,575,591
Basic loss per share (RM cent per share)	每股基本虧損 (每股仙令吉)	(2.49)	(2.83)
Continuing and discontinued operations	持續及已終止經營業務		
Earnings	盈利		
Profit for the year attributable to the owners of the Company (RM'000)	本公司擁有人應佔年內溢利 (千令吉)	82	108
Number of shares	股份數目		
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	16,008,173	13,575,591
Basic earnings per share (RM cent per share)	每股基本盈利 (每股仙令吉)	0.51	0.80

Diluted earnings per share information equals basic earnings per share for the years ended 31 May 2024 and 2025 as there were no potential ordinary shares outstanding during both years.

由於截至2024年及2025年5月31日止年度均無流通在外潛在普通股，故該兩個年度之每股攤薄盈利的資料等於每股基本盈利。

13. DIVIDENDS

The directors of the Company do not recommend the payment of dividend for the years ended 31 May 2024 and 2025.

13. 股息

本公司董事不建議派付截至2024年及2025年5月31日止年度的股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold land and building 租賃土地 及樓宇 RM'000 千令吉	Plant and machinery 廠房及機械 RM'000 千令吉	Motor vehicles 汽車 RM'000 千令吉	Renovation 裝修 RM'000 千令吉	Mould 模具 RM'000 千令吉	Factory 工廠 RM'000 千令吉	Office equipment 辦公設備 RM'000 千令吉	Computer software 電腦軟件 RM'000 千令吉	Total 總計 RM'000 千令吉
Carrying value	賬面值									
At 1 June 2023	於2023年6月1日	245	2,998	2,334	653	2,211	250	1,141	19	9,851
Additions	添置	-	35	495	-	9	-	21	-	560
Disposal	出售	-	-	-	-	-	-	(271)	-	(271)
At 31 May 2024	於2024年5月31日	245	3,033	2,829	653	2,220	250	891	19	10,140
At 1 June 2024	於2024年6月1日	245	3,033	2,829	653	2,220	250	891	19	10,140
Additions	添置	-	177	702	1,227	1,790	-	35	-	3,931
Disposal	出售	-	(178)	(503)	-	-	-	-	-	(681)
At 31 May 2025	於2025年5月31日	245	3,032	3,028	1,880	4,010	250	926	19	13,390
Accumulated depreciation	累計折舊									
At 1 June 2023	於2023年6月1日	107	2,174	1,135	475	1,074	211	767	19	5,962
Depreciation for the year	年內折舊	5	166	223	36	196	10	49	-	685
Disposal	出售	-	-	-	-	-	-	(270)	-	(270)
At 31 May 2024	於2024年5月31日	112	2,340	1,358	511	1,270	221	546	19	6,377
At 1 June 2024	於2024年6月1日	112	2,340	1,358	511	1,270	221	546	19	6,377
Depreciation for the year	年內折舊	5	184	238	80	323	10	54	-	894
Disposal	出售	-	(179)	(378)	-	-	-	-	-	(557)
At 31 May 2025	於2025年5月31日	117	2,345	1,218	591	1,593	231	600	19	6,714
Carrying value	賬面值									
At 31 May 2025	於2025年5月31日	128	687	1,810	1,289	2,417	19	326	-	6,676
At 31 May 2024	於2024年5月31日	133	693	1,471	142	950	29	345	-	3,763

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straightline basis at the following rates per annum:

Leasehold land and building	2%
Plant and machinery	10%
Motor vehicles	10%
Renovation	Over the remaining lease term — 20%
Mould	10%
Factory	10%
Office equipment	10%
Computer software	20%

The Group has pledged leasehold land and building with a carrying value of approximately RM124,000 (2024: RM133,000) to secure general banking facilities granted to the Group as disclosed in note 34.

15. RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

14. 物業、廠房及設備(續)

上述物業、廠房及設備項目(在建工程除外)以直線法按以下年率折舊：

租賃土地及樓宇	2%
廠房及機械	10%
汽車	10%
裝修	按剩餘租期計算 — 20%
模具	10%
工廠	10%
辦公設備	10%
電腦軟件	20%

本集團已質押賬面值約124,000令吉(2024年：133,000令吉)的租賃土地及樓宇，作為本集團所獲授的一般銀行融資的抵押(如附註34所披露)。

15. 使用權資產

按相關資產類別劃分的使用權資產之賬面淨值分析如下：

		Notes 附註	2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Ownership interests in leasehold land held for own use, carried at depreciated cost	作自用的租賃土地的所有權權益，按折舊成本列賬	(i)	8,369	74
Plant, machinery and equipment, carried at depreciated cost	廠房、機械及設備，按折舊成本列賬	(ii)	1,469	354
			9,838	428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. RIGHT-OF-USE ASSETS (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產折舊開支：		
Ownership interests in leasehold land held for own use	持作自用的租賃土地的所有權權益	12	2
Plant, machinery and equipment	廠房、機械及設備	639	566
		651	568
Interest on lease liabilities (Note 8)	租賃負債利息(附註8)	24	24
Expense relating to short-term leases	短期租賃有關之開支	384	50

During the year, additions to right-of-use assets of approximately RM10,060,000 (2024: nil). This amount related to the capitalised lease payments payable under new tenancy agreements and prepaid land lease payment.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The Group has pledged leasehold land with a carrying value of approximately RM72,000 (2024: RM74,000) to secure general banking facilities granted to the Group as disclosed in note 34.

The maturity analysis of lease liabilities is set out in note 25.

15. 使用權資產(續)

有關於損益確認的租賃之開支項目分析如下：

於年內，使用權資產添置約為10,060,000令吉(2024年：無)。該金額與新租購協議項下應付資本化租賃款項及預付土地租賃款項有關。

除出租人持有的租賃資產的擔保權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款的抵押品。

本集團已質押賬面值約72,000令吉(2024年：74,000令吉)的租賃土地，作為本集團所獲授的一般銀行融資的抵押(如附註34所披露)。

有關租賃負債的到期情況分析載於附註25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. RIGHT-OF-USE ASSETS (Continued)

Notes:

- (i) Ownership interests in leasehold land held for own use

The Group holds land under a 75-year lease for its manufacturing and trading and other building materials and services business, where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

- (ii) Other leases

The Group leases production factory, machinery and office under leases expiring from 2 to 3 years. Some leases include an option to renew the lease when all terms are renegotiated. None of the leases includes variable lease payments.

15. 使用權資產 (續)

附註：

- (i) 持作自用的租賃土地的所有權權益

本集團持有租期為75年作為生產及貿易及其他建築材料及服務業務用途的土地，其製造設施主要位於該等樓宇。本集團為該等物業權益（包括相關土地的全部或部分不可分割份額）的登記擁有人。本集團已預先支付一筆款項，以向其前登記擁有人收購該等物業權益，且除了根據相關政府機構設定應課租值的差餉外，沒有需要按照土地租賃條款下長期持續付款。該款項會跟隨當時市況進行調整，並支付給相關政府部門。

- (ii) 其他租賃

本集團按照租期介乎2至3年租賃生產廠房、機械及辦公室。部分租賃包括在所有條款重新協商的情況下重續租賃的選擇權。租賃概不包括可變租賃付款。

16. INVESTMENT PROPERTY

16. 投資物業

		RM'000 千令吉
Cost	成本	
At 1 June 2023, 31 May 2024, 1 June 2024 and 31 May 2025	於2023年6月1日、2024年5月31日、 2024年6月1日及2025年5月31日	450
Accumulated depreciation	累計折舊	
At 1 June 2023	於2023年6月1日	97
Charge for the year	年內扣除	4
At 31 May 2024 and 1 June 2024	於2024年5月31日及2024年6月1日	101
Charge for the year	年內扣除	4
At 31 May 2025	於2025年5月31日	105
Carrying value	賬面值	
At 31 May 2025	於2025年5月31日	345
At 31 May 2024	於2024年5月31日	349

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16. INVESTMENT PROPERTY (Continued)

The investment property, comprising of a freehold land and building in Malaysia, is depreciated on a straight-line basis over 50 years.

Rental income earned by the Group from the investment property which is leased out under operating leases, amounted to nil for the year ended 31 May 2025 (2024: RM33,000). Direct operating expenses incurred in respect of the investment property that generate rental income amounted to approximately RM2,000 and nil for the years ended 31 May 2024 and 2025 respectively. While direct operating expenses incurred in respect of the investment property that did not generate rental income amounted to approximately RM2,000 and nil for the years ended 31 May 2024 and 2025 respectively.

The fair values of the Group's investment property were estimated by the directors at RM769,000 and RM900,000 at 31 May 2024 and 2025 respectively based on the valuation report on the investment property in prior year and were updated to reflect recent transactions involving similar properties in the vicinity, using the direct comparison approach. The fair value is classified as Level 3. The fair value of the Group's investment properties was determined based on a valuation carried out by Messrs Laurelcap Sdn. Bhd., independent and qualified professional valuers who are not connected to the Group. In estimating the fair value of the property, the highest and best use of the property is its current use. The operating leases do not transfer the ownership of the underlying asset to the lessee by end of lease term, and there is no option to purchase the asset. The lessor manages the risk associated with any rights it retains in underlying assets. Its risk management strategy for these rights includes various means to reduce risk such as exercising inspection rights subsequent to reasonable notice and purchasing fire insurance.

The following table give information about how the fair value of the investment property is determined.

16. 投資物業(續)

投資物業(包括馬來西亞永久業權土地及樓宇)乃以直線法按50年計算折舊。

截至2025年5月31日止年度，本集團自投資物業(根據經營租賃出租)賺取的租金收入為零(2024年：33,000令吉)。截至2024年及2025年5月31日止年度，就產生租金收入的投資物業所產生的直接經營開支分別為約2,000令吉及零。截至2024年及2025年5月31日止年度，就不產生租金收入的投資物業所產生的直接營運開支分別為約2,000令吉及零。

於2024年及2025年5月31日，由董事所估計本集團的投資物業公平值分別為769,000令吉及900,000令吉，乃根據去年投資物業的估值報告並通過採用直接比較法更新以反映近期涉及於鄰近地區類似物業的交易得出。公平值分類為第三級。本集團的投資物業公平值乃根據獨立及合資格專業估值師Messrs Laurelcap Sdn. Bhd. (其與本集團並無關連)所進行的估值而釐定。於估計物業公平值時，物業的最高及最佳用途是指其現行用途。經營租賃在租賃期結束時不會將相關資產的所有權轉移給承租人，亦無購買該資產的選擇權。出租人管理其保留於相關資產中的任何權利所涉及的風險。其對權利的風險管理策略包括減少該風險的各種方法，如在合理通知後行使檢查權及購買火險。

下表載列如何釐定投資物業的公平值之資料。

Significant unobservable inputs 重大不可觀察輸入值	Sensitivity 敏感度
Location 位置	A better location, such as near the city centre would result in significant increase in fair value and vice versa. 物業位置越佳(例如鄰近市中心)將導致公平值大幅增加，反之亦然。
Tenure 業權	A preferable tenure, such as freehold property demand higher would result in significant increase in fair value and vice versa. 較佳的業權(例如永久業權物業)需求較高將導致公平值大幅增加，反之亦然。

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綜合財務報表附註

17. INVESTMENT IN AN ASSOCIATE

17. 於聯營公司的投資

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Cost of investment in an associate	於聯營公司的投資成本	3,244	3,244
Share of post-acquisition (loss)/profits and other comprehensive income	分佔收購後(虧損)/溢利及其他全面收益	(372)	151
Exchange adjustments	匯兌調整	(255)	71
		2,617	3,466

Name of associate	Place of establishment and principal place of operation	Fully paid-up share capital and number of shares	Percentage of ownership interests held by the Group		Principal activity
聯營公司名稱	成立地點及主要營業地點	繳足股本及股份數目	本集團所持擁有權權益百分比		主要業務
			2025 2025 年	2024 2024 年	
China Coal Alliances Trading Company Limited 中國煤炭同盟貿易有限公司	Hong Kong 香港	HK\$17,000,000 divided into 17,000,000 shares 17,000,000 港元， 分為 17,000,000 股股份	32%	32%	Trading of building material 建築材料貿易

Summarised financial information of material associate

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS Accounting Standards.

The associate is accounted for using the equity method in the consolidated financial statements.

重大聯營公司財務資料概要

本集團重大聯營公司之財務資料概要載列如下。以下財務資料概要呈列聯營公司根據國際財務報告準則會計準則編製之財務報表所示之金額。

該聯營公司使用權益法於綜合財務報表內入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INVESTMENT IN AN ASSOCIATE

(Continued)

Summarised financial information of material
associate (Continued)

China Coal Alliances Trading Company Limited

17. 於聯營公司的投資 (續)

重大聯營公司財務資料概要 (續)

中國煤炭同盟貿易有限公司

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Current assets	流動資產	1,488	3,310
Current liabilities	流動負債	276	222
Net assets	淨資產	1,212	3,088
Group's share of net assets	本集團應佔資產淨值	388	988
Goodwill	商譽	2,426	2,426
Exchange adjustment	匯兌調整	(197)	52
Carrying amount of the Group's interests	本集團權益賬面值	2,617	3,466

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Revenue	收入	–	1,967
(Loss)/profit for the period	期內(虧損)/溢利	(1,633)	190
Total comprehensive income for the period	期內全面收入總額	(1,633)	190

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18. INTANGIBLE ASSET

18. 無形資產

		E-commerce platform 電子商務平台 RM'000 千令吉
Cost	成本	
As at 1 June 2023, 31 May 2024 and 1 June 2024	於2023年6月1日、2024年5月31日及2024年6月1日	—
Arising on acquisition of a subsidiary (note 30)	因收購一間附屬公司而產生(附註30)	3,180
As at 31 May 2025	於2025年5月31日	3,180
Accumulated amortisation and impairment	累積攤銷及減值	
As at 1 June 2023, 31 May 2024 and 1 June 2024	於2023年6月1日、2024年5月31日及2024年6月1日	—
Amortisation for the year	年度攤銷	265
As at 31 May 2025	於2025年5月31日	265
Carrying amount	賬面值	
As at 31 May 2025	於2025年5月31日	2,915
As at 31 May 2024	於2024年5月31日	—

The above e-commerce platform was purchased as part of a business combination in this year.

上述電子商務平台乃於本年度作為業務合併的一部分而購買。

The above intangible asset has finite useful lives. Such intangible asset is amortised on a straight-line basis over the following periods:

上述無形資產具有有限可使用年期。有關無形資產於下列期間按直線法攤銷：

E-commerce platform	5 years	電子商務平台	5年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. GOODWILL

19. 商譽

		RM'000 千令吉
Cost	成本	
As at 1 June 2023, 31 May 2024 and 1 June 2024	於2023年6月1日、2024年5月31日 及2024年6月1日	—
Arising on acquisition of a subsidiary (note 30)	因收購一間附屬公司而產生(附註30)	4
As at 31 May 2025	於2025年5月31日	4
Accumulated impairment losses	累計減值虧損	
As at 1 June 2023, 31 May 2024, 1 June 2024 and 31 May 2025	於2023年6月1日、2024年5月31日、 2024年6月1日及2025年5月31日	—
Carrying amount	賬面值	
As at 31 May 2025	於2025年5月31日	4
As at 31 May 2024	於2024年5月31日	—

Impairment tests for goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

For the year ended 31 May 2025, goodwill has been allocated to the CGUs of e-commerce platform (the "e-commerce CGU") for impairment assessment purpose. In addition to goodwill, intangible asset that generate cash flows together with the related goodwill was also allocated to the e-commerce CGU for impairment testing.

The recoverable amounts of the e-commerce CGU have been determined on the basis of their value in use using discounted cash flow method, which uses cash flow projections based on financial budgets approved by the directors covering a five-year period and a pre-tax discount rate of 10% per annum (2024: nil) calculated by using weighted average cost of capital. The key assumptions used by management in setting the financial budgets for the initial five-year period were as follows:

商譽減值測試

商譽指於收購日期收購成本超出本集團應佔所收購附屬公司可識別資產淨值之公平值之數額。

截至2025年5月31日止年度，商譽已分配至電子商務平台現金產生單位（「電子商務現金產生單位」）以進行減值評估。除商譽外，與相關商譽共同產生現金流量的無形資產亦已分配至電子商務現金產生單位作減值測試。

電子商務平台現金產生單位的可收回金額已根據其使用價值採用貼現現金流量法釐定。該方法使用基於董事批准的涵蓋五年期間的財務預算及使用加權平均資本成本計算的每年10%（2024年：無）稅前貼現率的現金流量預測。管理層制定最初五年期間的財務預算時使用的主要假設如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. GOODWILL (Continued)

Impairment tests for goodwill (Continued)

Forecast sales growth rates — based on past experience adjusted for sales trends and the strategic decisions made in respect of the CGU.

Operating profits — based on historical experience of operating margins, adjusted for the impact of changes to costs and cost saving initiatives.

Cash conversion — based on the historical ratio of operating cash flow to operating profit.

Cash flows beyond five-year period have been extrapolated using 3% (2024: nil) per annum growth rate, which is estimated by the directors of the Company based on past performance of the CGU and their expectations of market development and the rate does not exceed the average long-term growth rate for the relevant markets.

The recoverable amount is significantly above the carrying amount of the CGU. Management believes that any reasonably possible change in any of these assumptions would not result in impairment.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the above CGUs to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of CGU would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

19. 商譽(續)

商譽減值測試(續)

預測銷售增長率 — 基於根據銷售趨勢調整的過往經驗及就現金產生單位作出的戰略決策。

經營溢利 — 基於經營利潤率的過往經驗，並就成本變動及成本節約措施的影響作出調整。

現金轉換 — 基於經營現金流量與經營溢利的歷史比率。

超過五年期間的現金流量已使用每年3% (2024年：無)的增長率推算，該比率乃由本公司董事根據現金產生單位的過往表現及其對市場發展的預期作出估計，且該比率不超過相關市場的平均長期增長率。

可收回金額顯著高於現金產生單位的賬面值。管理層認為，任何該等假設的任何合理可能變動將不會導致減值。

本集團已對用於釐定已獲分配商譽的上述現金產生單位可收回金額的關鍵假設變化的減值測試的敏感度進行分析。董事認為，計算現金產生單位可收回金額所依據的主要假設的任何合理可能變動，不會導致總賬面值超出該現金產生單位的可收回總額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20. INVENTORIES

20. 存貨

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
At cost:	按成本：		
Raw materials and consumables	原材料及消耗品	891	883
Finished goods	製成品	844	917
		1,735	1,800

21. RECEIVABLES, DEPOSITS AND PREPAYMENTS

21. 應收款項、按金及預付款

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Trade receivables	貿易應收款項	11,457	14,765
Less: Allowance for credit losses	減：信貸虧損撥備	(6,076)	(6,181)
		5,381	8,584
Other receivables and deposits	其他應收款項及按金	3,821	4,455
Less: Allowance for credit losses	減：信貸虧損撥備	(1,952)	(1,271)
		1,869	3,184
Prepayments	預付款	807	717
		8,057	12,485

The amounts due from trade debtors are unsecured, do not carry any interest and the credit term granted by the Group ranges from 30 to 120 days.

應收貿易賬款無抵押且不計息，而本集團所授予的信貸期介乎30至120日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21. RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

The following is an aging analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date:

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
1-30 days	1至30日	2,434	3,694
31-60 days	31至60日	1,090	1,051
61-90 days	61至90日	682	492
91-120 days	91至120日	195	414
More than 120 days	120日以上	980	2,933
		5,381	8,584

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 32(b).

21. 應收款項、按金及預付款 (續)

以下為根據發票日期呈列的貿易應收款項 (扣除信貸虧損撥備) 賬齡分析：

本集團貿易應收款項產生的信貸政策及信貸風險的進一步詳情載於附註32(b)。

22. AMOUNTS DUE FROM ULTIMATE HOLDING COMPANY AND A SHAREHOLDER

The amount due from ultimate holding company is non-trade nature, unsecured, interest free and repayable on demand.

The amount due from a shareholder is non-trade nature, unsecured, interest free and repayable on demand. The maximum amount outstanding during the financial year is RM32,000 (2024: RM35,000).

22. 應收最終控股公司及股東款項

應收最終控股公司款項為非貿易性質、無抵押、免息及須按要求償還。

應收股東款項為非貿易性質、無抵押、免息及須按要求償還。於財政年度之最高未償還金額為32,000令吉 (2024年：35,000令吉)。

23. SHORT-TERM BANK DEPOSITS, CASH AND BANK BALANCES

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Current:	即期：		
Short-term bank deposits	短期銀行存款	18,676	21,089
Cash and bank balances	現金及銀行結餘	4,054	7,142
Total	總計	22,730	28,231
Less: Deposits pledged as security	減：已質押作擔保之存款	(1,176)	(212)
Cash and cash equivalents	現金及現金等價物	21,554	28,019

23. 短期銀行存款、現金及銀行結餘

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23. SHORT-TERM BANK DEPOSITS, CASH AND BANK BALANCES (Continued)

Short-term bank deposits of the Group have an average maturity ranging from 1 to 3 months. Bank balances are deposits held at with licensed banks.

The average interest rates of deposits of the Group are ranging from 3.65% to 3.8% (2024: 2.30% to 3.81%) per annum. Included in the short-term bank deposits are amounts totaling approximately RM1,176,000 (2024: RM212,000) that have been pledged to secure general banking facilities granted to the Group as disclosed in note 34.

23. 短期銀行存款、現金及銀行結餘 (續)

本集團短期銀行存款的平均到期日介乎1至3個月。銀行結餘為於持牌銀行的存款。

本集團存款的平均年利率介乎3.65%至3.8% (2024年：2.30%至3.81%)。短期銀行存款包括總額約為1,176,000令吉 (2024年：212,000令吉) 的已質押金額，以為授予本集團的一般銀行融資提供擔保 (如附註34所披露)。

24. PAYABLES AND ACCRUED CHARGES

24. 應付款項及應計費用

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Trade payables	貿易應付款項	2,876	2,818
Accrued charges	應計費用	4,051	4,698
Other payables	其他應付款項	2,555	1,485
Contract liabilities	合約負債	1,798	1,144
		11,280	10,145

The following is an aging analysis of trade payables presented based on the invoice date:

貿易應付款項按發票日期呈列的賬齡分析如下：

		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
1-30 days	1至30日	991	1,071
31-60 days	31至60日	818	899
61-90 days	61至90日	771	734
91-120 days	91至120日	294	112
Over 120 days	120日以上	2	2
		2,876	2,818

The average credit period on purchases of goods is 30 to 75 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購貨的平均信貸期為30至75日。本集團設有財務風險管理政策以確保所有應付款項均在信貸期限內結清。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24. PAYABLES AND ACCRUED CHARGES (Continued)

Contract liabilities arise if a particular payment exceeds the revenue recognised to date.

The Group classifies contract liabilities as current because the Group expected to settle them in its normal operating cycle.

Revenue from manufacturing and trading recognised during the year ended 31 May 2025 that was included in the contract liabilities at the beginning of the year was amounted to RM1,126,000 (2024: RM791,000).

25. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period.

24. 應付款項及應計費用(續)

合約負債於特定付款超過截至現時已確認收入時產生。

本集團將合約負債分類為流動，原因為本集團預期在其正常經營週期內結算合約負債。

計入年初合約負債的於截至2025年5月31日止年度確認的製造及貿易收入為1,126,000令吉(2024年：791,000令吉)。

25. 租賃負債

下表顯示本集團於報告期末的租賃負債的餘下合約期限的到期情況。

		Present value of minimum lease payments 最低租賃款項之現值	
		2025 2025年 RM'000 千令吉	2024 2024年 RM'000 千令吉
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	791	405
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	691	—
		1,482	405
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期應付 款項(於流動負債 下列示)	(791)	(405)
Amount due for settlement after 12 months (shown under non-current liabilities)	12個月後到期應付款項 (於非流動負債下列示)	691	—

The weighted average incremental borrowing rates applied to lease liabilities at 3.44% (2024: 3.49%).

應用於租賃負債的加權平均增量借款利率為3.44%(2024年：3.49%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

26. 遞延稅項

倘有合法執行權利可將即期稅項資產對銷即期稅項負債以及倘遞延稅項與同一稅務機關相關，則遞延稅項資產及負債予以對銷。以下數額乃經恰當對銷後釐定，列示於綜合財務狀況表：

		Accelerated tax depreciation 加速稅項 折舊 RM'000 千令吉	ECL provision 預期信貸 虧損撥備 RM'000 千令吉	Right-of-use assets 使用權 資產 RM'000 千令吉	Lease liabilities 租賃負債 RM'000 千令吉	Unrealised forex exchange 未變現外匯 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2023	於2023年6月1日	(342)	252	(238)	247	(50)	(131)
(Charge) credit to profit or loss	自損益(扣除)計入	19	(1)	136	(150)	32	36
At 31 May 2024	於2024年5月31日	(323)	251	(102)	97	(18)	(95)
(Charge) credit to profit or loss	自損益(扣除)計入	37	28	(229)	221	(73)	(16)
At 31 May 2025	於2025年5月31日	(286)	279	(331)	318	(91)	(111)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. DEFERRED TAXATION (Continued)

26. 遞延稅項 (續)

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
At beginning of year	於年初	95	131
Debited/(credited) to profit or loss (Note 10)	扣自／(計入) 損益 (附註 10)	16	(36)
At end of year	於年末	111	95

The deferred tax liabilities mainly represent the tax effect of taxable temporary differences arising from accelerated tax depreciation of property, plant and equipment and right-of-use assets. The amount is offset by deferred tax assets arising from lease liabilities and ECL.

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31 May 2025, the Group did not recognise deferred income tax asset in respect of tax losses amounting to approximately RM4,846,000 (2024: RM3,325,000) that can be carried forward to offset against future taxable profits. Losses may be carried forward indefinitely. No unrecognised deductible temporary differences after net off taxable temporary differences for both years.

遞延稅項負債主要指物業、廠房及設備以及使用權資產加速稅項折舊的稅務影響應課稅暫時性差額。該金額由租賃負債及預期信貸虧損產生的遞延稅項資產抵銷。

倘可通過未來應課稅溢利變現相關稅收優惠，則就結轉稅項虧損確認遞延稅項資產。於2025年5月31日，本集團並無就可予結轉以抵銷未來應課稅溢利之稅務虧損約4,846,000令吉（2024年：3,325,000令吉）確認遞延所得稅資產。虧損可無限期結轉。兩個年度於抵銷應課稅暫時性差額後並無未確認可扣稅暫時性差額。

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綜合財務報表附註

27. PROMISSORY NOTES

27. 承兌票據

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
The carrying amount of the promissory note payables are repayable:	應付承兌票據之賬面值須於以下期間償還：		
— Amount due for settlement within 12 months shown under current	— 流動負債項下所示於 12 個月內到期結算的款項	—	3,446
— Amount due for settlement after 12 months shown under non-current liabilities	— 非流動負債項下所示於 12 個月後到期結算的款項	5,558	—
		5,558	3,446
Movements in promissory note payable are as following:	應付承兌票據變動如下：		
Balance at beginning of the year	年初結餘	3,446	3,276
Settlement of the acquisition cost of a subsidiary by the issue of promissory note	透過發行承兌票據結算一間附屬公司之收購成本	3,166	—
Repayment of promissory note	償還承兌票據	(813)	—
Interest payable	應付利息	110	99
Exchange difference	匯兌差額	(351)	71
Balance at end of the year	年末結餘	5,558	3,446

On 17 January 2023, a promissory note was issued with a principal amount of HK\$5,500,000 (equivalent to approximately RM3,244,000), bearing a fixed interest rate of 3% per annum and maturing two years from the date of issuance. During the year partial repayment of HK\$1,500,000 (equivalent to approximately RM813,000) was made. On 30 January 2025, new promissory notes with principal amount of HK\$4,000,000 (equivalent to approximately RM2,167,000) were issued to replace the previous outstanding promissory note. The new notes bear a fixed interest rate of 3% per annum and mature two years from the date of issuance.

On 30 December 2024, promissory notes were issued with an aggregated principal amount of HK\$5,500,000 (equivalent to approximately RM3,166,000) for the settlement of acquisition of subsidiaries also bearing a fixed interest rate of 3% per annum and maturing two years from the date of issuance.

於2023年1月17日，本金額為5,500,000港元（相當於約3,244,000令吉）的承兌票據已發行，且按固定年利率3%計息，並於發行日期起計兩年後到期。於年內已部分償還1,500,000港元（相當於約813,000令吉）。於2025年1月30日，本金額為4,000,000港元（相當於約2,167,000令吉）的新承兌票據已發行，以取代先前的未償還承兌票據。新票據按固定年利率3%計息，並於發行日期起計兩年後到期。

於2024年12月30日，本金總額為5,500,000港元（相當於約3,166,000令吉）的承兌票據已發行，以結算收購附屬公司，且該承兌票據亦按固定年利率3%計息，並於發行日期起計兩年後到期。

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28. SHARE CAPITAL

28. 股本

			Number of shares 股份數目 '000 千股	Par value 每股面值 HK\$ 港元	Share capital 股本 HK\$'000 千港元	RM'000 千令吉
	Note 附註					
Authorised:	法定：					
At 1 June 2022,	於2022年6月1日、					
31 May 2023,	2023年5月31日、					
1 June 2023 and	2023年6月1日及					
31 May 2024	2024年5月31日		1,250,000	0.08	100,000	
Share consolidation	股份合併	(c)	(1,125,000)	–	–	
At 31 May 2025	於2025年5月31日		125,000	0.80	100,000	
Issued and fully paid:	已發行及繳足：					
At 1 June 2023	於2023年6月1日		123,876	0.08	9,910	5,438
Issue of subscription shares by	透過新配發普通股					
newly allotted ordinary shares	發行認購股份	(a)	12,388	0.08	991	590
At 31 May 2024 and	於2024年5月31日及					
1 June 2024	2024年6月1日		136,264	0.08	10,901	6,028
Issue of subscription shares by	透過新配發普通股					
newly allotted ordinary shares	發行認購股份	(b)	27,253	0.08	2,180	1,237
Share consolidation	股份合併	(c)	(147,165)	–	–	–
At 31 May 2025	於2025年5月31日		16,352	0.80	13,081	7,265

Notes:

附註：

(a) On 7 June 2023 (after trading hours), the Company entered into the subscription agreement with the subscriber. The Company allotted and issued subscription shares comprising 12,387,600 ordinary shares of HK\$0.082 each on 16 June 2023. The gross proceeds were HK\$1,015,000 (equivalent to approximately RM605,000), of which a sum of HK\$991,000 (equivalent to approximately RM590,000) was credited to share capital and the balance of HK\$24,000 (equivalent to approximately RM15,000) was credited to share premium account.

(a) 於2023年6月7日（交易時段後），本公司與認購人訂立認購協議。於2023年6月16日，本公司配發及發行包含12,387,600股每股0.082港元之普通股的認購股份。所得款項總額為1,015,000港元（相當於約605,000令吉），其中合共991,000港元（相當於約590,000令吉）已計入股本，餘額24,000港元（相當於約15,000令吉）已計入股份溢價賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. SHARE CAPITAL (Continued)

Notes: (Continued)

- (b) On 27 June 2024 (after trading hours), the Company entered into a subscription agreement with the subscriber, pursuant to which the Company will allot and issue an aggregate of 27,252,720 subscription shares at the subscription price of HK\$0.08 per share. The net proceeds from the subscription after deducting related professional fees and related expenses approximately HK\$2,100,000 (equivalent to approximately RM1,192,000). The subscription was completed on 17 July 2024.
- (c) On 2 August 2024, an ordinary resolution was passed on share consolidation ("**Share Consolidation**"). According to the resolution, every 10 issued and unissued existing shares of par value HK\$0.08 each in the share capital of the Company would be consolidated into 1 consolidated share of par value HK\$0.8 each ("**Consolidated Share**") and authorised shares from 1,125,000 to 125,000. The Share Consolidation became effective on 6 August 2024.

All ordinary shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

Pursuant to the written resolutions passed by the shareholders of the Company on 27 June 2017, the Company has conditionally adopted a share option scheme.

The share option scheme will be valid and effective for a period of ten years from the date of the adoption of the scheme by equity settlement. The maximum number of shares in respect of which options may be granted under the share option scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the date of the shares of the Company listed on the GEM. The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other share option scheme of the Company at any time shall not exceed 30% of the shares in issue from time to time.

No option was granted as at the date of this report.

28. 股本(續)

附註：(續)

- (b) 於2024年6月27日(交易時段後)，本公司與認購人訂立認購協議，據此，本公司將按認購價每股0.08港元配發及發行合共27,252,720股認購股份。認購事項之所得款項淨額(經扣除相關專業費用及相關開支後)約為2,100,000港元(相當於約1,192,000令吉)。認購事項於2024年7月17日完成。
- (c) 於2024年8月2日，有關股份合併(「**股份合併**」)的普通決議案獲通過。根據該決議案，本公司股本中每十股每股面值0.08港元的已發行及未發行現有股份將合併為一股每股面值0.8港元的合併股份(「**合併股份**」)，而法定股份將由1,125,000股更改為125,000股。股份合併自2024年8月6日起生效。

所有於年內發行的普通股與當時現有的普通股在各方面享有同等地位。

根據本公司股東於2017年6月27日通過的書面決議案，本公司已有條件採納一項購股權計劃。

購股權計劃將自採納計劃當日起計十年期間內有效及生效，並以權益結算。根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限合共不得超過本公司股份於GEM上市當日已發行股份總數的10%。根據購股權計劃及本公司任何其他購股權計劃已授出但尚未行使的所有尚未行使購股權獲行使時可予發行之股份數目，於任何時間均不得超過不時已發行股份的30%。

於本報告日期，概無授出任何購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29. RESERVES

(a) Share premium

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
At beginning of year	年初	28,074	28,059
Issue of subscription shares by newly allotted ordinary shares (Note 28)	透過新配發普通股發行 認購股份(附註28)	—	15
At end of year	年末	28,074	28,074

(b) Other reserve

The other reserve at 31 May 2024 and 2025 represented the aggregate amount of the fully paid registered or paid-in capital of Target Precast Industries Sdn Bhd, Target Sales & Marketing Sdn Bhd, Target Crane & Logistic Sdn Bhd, Gallant Empire Limited, SK Target Holdings Sdn Bhd and Loyal Earn Limited.

(c) Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

29. 儲備

(a) 股份溢價

(b) 其他儲備

於2024年及2025年5月31日的其他儲備指Target Precast Industries Sdn Bhd、Target Sales & Marketing Sdn Bhd、Target Crane & Logistic Sdn Bhd、Gallant Empire Limited、SK Target Holdings Sdn Bhd及Loyal Earn Limited的繳足註冊或實收資本總額。

(c) 匯兌儲備

匯兌儲備用於記錄換算功能貨幣不同於本集團呈列貨幣的海外業務的財務報表產生的匯兌差額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. ACQUISITION OF SUBSIDIARIES

On 30 December 2024, the Group acquired a 100% interest in Vansion Intelligent Living Services (HK) Limited, a company principally engaged in investment holding. The acquisition was made with the objective of expanding the Group's non-core business. It has been accounted for as acquisition of business using the acquisition method.

A valuation report received upon completion of acquisition accounting on 30 December 2024 in the current year indicated that the fair value of the net assets acquired of Vansion Intelligent Living Services (HK) Limited at the date of acquisition was RM3,162,000.

30. 收購附屬公司

於2024年12月30日，本集團收購萬順智慧生活服務(香港)有限公司的100%股權，該公司主要從事投資控股。收購事項旨在擴展本集團非核心業務。其已使用收購法入賬作為收購業務。

本年度於2024年12月30日完成收購會計後收到的估值報告顯示，萬順智慧生活服務(香港)有限公司於收購日期的已收購資產淨值之公平值為3,162,000令吉。

Consideration transferred

所轉讓代價

		RM'000 千令吉
Promissory notes	承兌票據	3,166

Assets acquired and liabilities recognised at the date of acquisition

於收購日期之已收購資產及已確認負債

		RM'000 千令吉
Intangible asset	無形資產	3,180
Trade and other receivables	貿易及其他應收款項	41
Cash and cash equivalents	現金及現金等價物	3
Trade and other payables	貿易及其他應付款項	(62)
		3,162

Goodwill arising on acquisition

收購事項產生的商譽

		RM'000 千令吉
Consideration transferred	所轉讓代價	3,166
Less: recognised amounts of net assets acquired	減：已收購資產淨值之已確認金額	(3,162)
Goodwill arising on acquisition (note 19)	收購事項產生的商譽(附註19)	4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. ACQUISITION OF SUBSIDIARIES (Continued)

Goodwill arising on acquisition (Continued)

Goodwill arose on the acquisition of Vansion Intelligent Living Services (HK) Limited. The acquisition included the assembled workforce of Shenzhen Vansion Full Intelligent Living Services Limited, wholly owned by Wanshun Smart Life Services (Shenzhen) Co., Ltd. which is wholly-owned subsidiary of Vansion Intelligent Living Services (HK) Limited. And some potential contracts which are still under negotiation with prospective new customers as at the date of acquisition. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Impact of acquisition on the results of the Group

Had the acquisition of Vansion Intelligent Living Services (HK) Limited been completed on 30 December 2024, included in the loss for the year is approximately RM70,000 attributable to the additional business generated by Shenzhen Vansion Full Intelligent Living Services Limited. The Group's revenue for the year includes approximately RM327,000 contributed from Shenzhen Vansion Full Intelligent Living Services Limited.

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of equity balance. Equity balance consists of equity attributable to owners of the Company, comprising share capital and accumulated loss.

The management of the Group reviews the capital structure on an on-going annual basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management of the Group, the Group will balance its overall capital structure through the payment of dividends as well as the issue of new debt and repayment of debt.

The only externally imposed capital requirement for the Group is that it must have a public float of at least 25% of the shares in order to maintain its listing on the Stock Exchange.

30. 收購附屬公司(續)

收購事項產生的商譽(續)

商譽產生自收購萬順智慧生活服務(香港)有限公司。是次收購事項涵蓋深圳萬順福智慧生活服務有限公司(由萬順智慧生活服務(深圳)有限公司全資擁有,而萬順智慧生活服務(深圳)有限公司則為萬順智慧生活服務(香港)有限公司的全資附屬公司)的員工隊伍。及於收購日仍與潛在新客戶磋商的部分潛在合同。由於該等利益並不符合可識別無形資產之確認條件,故並無與商譽分開確認。

收購事項對本集團業績的影響

倘收購萬順智慧生活服務(香港)有限公司已於2024年12月30日完成,則年內虧損包括來自深圳萬順福智慧生活服務有限公司所產生之額外業務約70,000令吉。本集團的年內收益包括來自深圳萬順福智慧生活服務有限公司的約327,000令吉。

31. 資本風險管理

本集團管理其資本以確保本集團各實體可持續經營,並透過優化債務及股權餘額為利益相關者帶來最大回報。年內,本集團整體策略保持不變。

本集團的資本架構由股權餘額組成。股權餘額包括本公司擁有人的應佔股權,包含股本及累計虧損。

本集團管理層一直按年審視資本架構。作為審視的一部分,本集團管理層考慮資本成本及各類資本相關風險。根據本集團管理層的建議,本集團將通過派付股息以及發行新債務及償還債務平衡其整體資本架構。

本集團唯一外部施加的資本要求為其必須擁有至少25%股份的公眾持股量,以維持其於聯交所的上市地位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Financial assets	金融資產		
Amortised cost	攤銷成本	30,057	40,074
Financial liabilities	金融負債		
Amortised cost	攤銷成本	15,040	12,440

(b) Financial risk management objectives and policies

The Group's major financial instruments and details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to the Group's bank balances and fair value interest rate risk in relation to fixed rate lease liabilities, short-term bank deposits and promissory note.

The Group currently does not have an interest rate hedging policy. However, management closely monitors its exposure to future cash flow interest rate risk as a result of changes in market interest rates and will consider hedging changes in market interest rates should the need arise.

Lease liabilities which are fixed rate instruments are insensitive to any change in interest rates. A change in interest rate at the end of the reporting period would not affect profit or loss.

Sensitivity analysis

No sensitivity analysis is provided on bank balances as the management of the Company considers that the interest rate fluctuation on bank are minimal and the impact from the exposure to interest rate risk sensitivity is considered insignificant.

32. 金融工具

(a) 金融工具類別

(b) 財務風險管理目標及政策

本集團的主要金融工具及該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險及如何減低該等風險的政策載列如下。

市場風險

利率風險

本集團面對與本集團銀行結餘相關的現金流利率風險及與固定利率租賃負債、短期銀行存款及承兌票據相關的公平值利率風險。

本集團現時並無利率對沖政策。然而，管理層密切監察因市場利率變動而引致其面對未來現金流利率的風險，並將於有需要時考慮對沖市場利率變動。

固定利率工具之租賃負債對利率的任何變動並不敏感。於報告期末，利率變動將不會影響損益。

敏感度分析

概無就銀行結餘提供敏感度分析，原因為本公司管理層認為銀行的利率波動微不足道，且就面對利率風險的敏感度而言，影響被視為並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk

The Group has certain bank balances denominated in HKD other than the functional currency of respective group entities, which expose the Group to foreign currency risk.

The Group manages the risk by closely monitoring the movement of the foreign currency rate.

If the respective currencies in which the Group's promissory notes, cash and bank balances are denominated had strengthened/weakened 5% against Malaysian Ringgit at 31 May 2025, the post-tax profit of the Group for the year would have decreased/increased by:

		The Group 本集團	
		2025	2024
		2025 年	2024 年
		RM'000	RM'000
		千令吉	千令吉
HKD	港元	(219)	113

Credit risk and impairment assessment

The Group's exposure to credit risk is primarily due to the collectability risk of the trade receivables. The length of the credit period granted by the Group will depend on the customers' scale of operation, reputation and credibility. The Group performs ongoing credit evaluation on the financial condition of trade debtors and tightly monitors the overdue debts. The Group will take the necessary follow up action in case of long outstanding debts or when the above credit evaluation results draw the attention of management.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險

除各集團實體功能貨幣外，本集團若干銀行結餘以港元計值，從而使本集團面臨外幣風險。

本集團通過密切監控外匯匯率變動管理該風險。

倘本集團承兌票據、現金及銀行結餘的各計值貨幣於2025年5月31日兌馬來西亞令吉升值／貶值5%，則本集團於年內的稅後溢利將減少／增加：

信貸風險及減值評估

本集團涉及的信貸風險主要是由於貿易應收款項的可收回風險所致。本集團所授予信貸期的期限將視乎客戶的營運規模、聲譽及信譽而定。本集團就貿易債務人的財務狀況進行持續的信貸評估，並緊密監察逾期債務。倘屬長期未償還債項或上述信貸評估結果需要管理層關注，本集團將採取必要的跟進行動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

At the end of each reporting period, the Group's maximum exposure to credit risk which might cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group is exposed to concentration of credit risk as at 31 May 2025 on trade receivables from the Group's five major customers amounting to approximately RM5,073,000 (2024: RM9,179,000) and accounted for 44% (2024: 62%) of the Group's total trade receivables. The major customers of the Group are reputable organisations. The directors closely monitor the subsequent settlement of the customers. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds of the Group is limited because the counterparties are banks with good credit ratings and the Group has limited exposure to any single financial institution.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the management reviews the recoverability of each trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group applies simplified approach on trade receivables to provide for the ECL prescribed by IFRS 9. The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix based on shared credit risk characteristics by reference to settlement pattern taking into consideration forward-looking information that is reasonable and supportable available without undue cost or effort.

32. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

於各報告期末，本集團因對手方未能履行責任可能造成本集團財務損失而面對的最高信貸風險，乃源自於綜合財務狀況表所示相關已確認金融資產的賬面值。

於2025年5月31日，本集團就來自本集團五大客戶的貿易應收款項約5,073,000令吉（2024年：9,179,000令吉）承受集中的信貸風險，佔本集團的貿易應收款項總額的44%（2024年：62%）。本集團的主要客戶為信譽良好的機構。董事密切監察客戶的後續結算。就此而言，董事認為本集團的信貸風險已大幅降低。

由於對手方為具有良好信貸評級的銀行，且本集團就任何單一財務機構所面對的風險有限，故本集團流動資金的信貸風險亦有限。

客戶合約產生的貿易應收款項

為將信貸風險降至最低，管理層已委派一個團隊負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進措施收回逾期債務。此外，管理層於各報告期末檢討各貿易債務的可收回程度，確保就不可收回款項作出足夠減值虧損。本集團對貿易應收款項採用簡化方法，以就國際財務報告準則第9號所規定之預期信貸虧損作出撥備。本集團按相等於全期預期信貸虧損（參考結算模型依據共享信貸風險特征使用撥備矩陣計算，並考慮毋須花費不必要成本或努力即可獲得的合理及具支持性的前瞻性資料）的金額計量貿易應收款項的虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The Group's internal credit risk grading assessment comprises the following categories:

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

本集團的內部信貸風險評級評估包括以下類別：

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手方的違約風險較低，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	12-month ("12m") ECL 12個月 ("12個月") 預期信貸虧損
Watch list 監察名單	Debtor frequently repays after due dates but usually settle after due date 債務人經常於逾期日後還款，但通常於逾期日後結算	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 以內部或外部資源獲得的資料顯示自初始確認以來信貸風險顯著增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示資產已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已發生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團並無實際收回的可能	Amount is written off 有關款項獲撇銷	Amount is written off 有關款項獲撇銷

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

(Continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表詳述本集團須接受預期信貸虧損評估的金融資產的信貸風險敞口：

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL 12個月或全期 預期信貸虧損	2025 Gross carrying amount 2025年 總賬面值 RM'000 千令吉	2024 Gross carrying amount 2024年 總賬面值 RM'000 千令吉
	附註	外部信貸評級	內部信貸評級			
Financial assets at amortised cost 按攤銷成本計量的金融資產						
Amount due from ultimate holding company 應收最終控股公司款項	22	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	45	40
Amount due from a shareholder 應收股東款項	22	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	32	35
Short-term bank deposits 短期銀行存款	23	A1, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	18,676	21,089
Cash at bank 銀行現金	23	A3, AA3, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	4,054	7,142
Other receivables and deposits 其他應收款項及按金	21	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	3,821	4,455
Trade receivables — goods and services 貿易應收款項 — 貨物及服務	21	N/A 不適用	Low risk 低風險	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	6,403	7,217
			Watch list 觀察清單	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	1,099	1,222
			Doubtful 呆賬	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	943	1,862
			Loss 虧損	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已發生信貸減值	3,012	4,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Note:

- For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

附註：

- 就內部信貸風險管理而言，本集團使用逾期資料評估自初始確認後信貸風險是否已大幅增加。

2025		Past due under lifetime ECL 全期預期 信貸虧損項下 逾期 RM'000 千令吉	Not past due under 12m ECL 12個月預期 信貸虧損項下 未逾期 RM'000 千令吉	Total 總計 RM'000 千令吉
2025年				
Amount due from ultimate holding company	應收最終控股公司款項	—	45	45
Amount due from a shareholder	應收股東款項	—	32	32
Other receivables	其他應收款項	—	425	425
Deposits	按金	—	1,444	1,444

2024		Past due under lifetime ECL 全期預期 信貸虧損項下 逾期 RM'000 千令吉	Not past due under 12m ECL 12個月預期 信貸虧損項下 未逾期 RM'000 千令吉	Total 總計 RM'000 千令吉
2024年				
Amount due from ultimate holding company	應收最終控股公司款項	—	40	40
Amount due from a shareholder	應收股東款項	—	35	35
Other receivables	其他應收款項	—	174	174
Deposits	按金	—	3,010	3,010

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表列示根據簡化方法就貿易應收款項確認的全期預期信貸虧損的變動。

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未發生 信貸減值) RM'000 千令吉	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (已發生 信貸減值) RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2023	於 2023 年 6 月 1 日	3,089	2,573	5,662
— Impairment losses recognised	— 已確認減值虧損	—	476	476
— Impairment losses reversed	— 已撥回減值虧損	(38)	—	(38)
— Exchange differences	— 匯兌差額	—	81	81
At 31 May 2024 and 1 June 2024	於 2024 年 5 月 31 日及 2024 年 6 月 1 日	3,051	3,130	6,181
— Impairment losses recognised	— 已確認減值虧損	121	424	545
— Impairment losses reversed	— 已撥回減值虧損	—	(219)	(219)
— Exchange differences	— 匯兌差額	(108)	(323)	(431)
At 31 May 2025	於 2025 年 5 月 31 日	3,064	3,012	6,076

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in 12 months ECL that has been recognised for other receivables and deposits under the general approach.

		RM'000 千令吉
At 1 June 2023	於 2023 年 6 月 1 日	839
Impairment losses recognised	已確認減值虧損	432
At 31 May 2024 and 1 June 2024	於 2024 年 5 月 31 日及 2024 年 6 月 1 日	1,271
Impairment losses recognised	已確認減值虧損	764
Exchange differences	匯兌差額	(83)
At 31 May 2025	於 2025 年 5 月 31 日	1,952

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The ECL rate are estimated based on its credit rating, past and current default record and current past due exposure of the customer.

The impairment loss for trade receivables are assessed in provision matrix and determined by reference to independent professional valuer's assessment in accordance with IFRS 9 by adopting its independently selected parameters which take into consideration of historical default records and forward-looking information. At 31 May 2025, the gross trade receivables of approximately RM3,955,000 (2024: RM6,326,000) was past due and impairment loss of approximately RM6,076,000 (2024: RM6,181,000) was recognised as at 31 May 2025.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表列示根據一般方法就其他應收款項及存款確認的12個月預期信貸虧損的變動。

作為本集團信貸風險管理一部分，本集團對其客戶應用內部信貸評級。預期信貸虧損率乃根據其信貸等級、過往及當前之違約記錄以及客戶當前逾期敞口估計。

貿易應收款項的減值虧損乃經參考獨立專業估值師根據國際財務報告準則第9號的評估以撥備矩陣進行評估及釐定，當中採納其獨立選定的參數，當中考慮歷史違約記錄及前瞻性資料。於2025年5月31日，約3,955,000令吉（2024年：6,326,000令吉）的貿易應收款項總額已逾期。於2025年5月31日，約6,076,000令吉（2024年：6,181,000令吉）之減值虧損已確認。

倘有資料顯示債務人面臨嚴重財務困難，且實際上並無收回款項的前景（如債務人被清盤或進入破產程序，或（如為貿易應收款項）金額已逾期超過兩年（以較早發生者為準）），則本集團撇銷貿易應收款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group makes periodic individual impairment assessment under ECL model for refundable deposits based on historical settlement records, past experience, and also quantitative information that is reasonable and supportive forward-looking information. The directors of the Group believe that there are no significant increase in credit risk of these amounts since initial recognition. At 31 May 2025, the Group provided impairment loss of approximately RM1,952,000 (2024: RM1,271,000) based on 12-month ECL.

No ECL has been provided for amounts due from ultimate holding company and amount due from a shareholder. The Company limits its exposure to credit risk for amounts due from ultimate holding company and amount due from a shareholder and there was no recent history of default. Management does not expect any counterparty to fail to meet its obligations. Management will continue to monitor the position and will take appropriate action if there are changes.

In these regards, other than the credit risks mentioned above, the management believes the Group does not have any other significant credit risk and will monitor the exposures to these credit risks on an ongoing basis.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities which has been drawn up based on the undiscounted cash flows of the non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for the financial liabilities are based on the agreed repayment dates.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

本集團根據歷史結算記錄、過往經驗以及定量資料 (亦為合理且有支持性之前瞻性資料)，根據預期信貸虧損模式對可退還按金進行定期個別減值評估。本集團董事認為，自初始確認起，該等金額之信貸風險並無顯著增加。於2025年5月31日，本集團基於12個月預期信貸虧損已計提約1,952,000令吉 (2024年：1,271,000令吉) 之減值虧損。

本集團並無就應收最終控股公司款項及應收股東款項計提預期信貸虧損。本公司限制其對應收最終控股公司款項及應收股東款項的信貸風險敞口，且最近並無違約記錄。管理層預期並無任何對手方不能履行其責任。管理層將繼續監控有關情況並將於評級改變時採取適當行動。

就此而言，除了上文提到的信貸風險外，管理層認為本集團並無任何其他重大信貸風險，且將持續監察該等信貸風險。

流動資金風險

在管理流動資金風險時，本集團對現金及現金等價物的水平進行監察並將其維持在管理層認為足以為本集團業務營運提供資金的水平，並減少現金流量波動的影響。

下表詳列本集團非衍生金融負債的剩餘合約年期。該表按本集團可被要求付款的最早日期的非衍生金融負債未貼現現金流量列示。金融負債的到期日根據協定還款日期而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The table includes both interest and principal cash flows, to the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

表中包括利息及本金現金流量。倘利率為浮動利率，則未貼現金額按報告期末的利率曲線計算。

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 12 months 按要求或 12個月以下 RM'000 千令吉	1 to 2 years 1至2年 RM'000 千令吉	Over 2 years 2年以上 RM'000 千令吉	Total undiscounted cash flows 未貼現現金 流量總額 RM'000 千令吉	Total carrying amount 總賬面值 RM'000 千令吉
As at 31 May 2025	於 2025 年 5 月 31 日						
Payables and accrued charges	應付款項及應計費用	–	9,482	–	–	9,482	9,482
Lease liabilities	租賃負債	3.44%	827	622	80	1,529	1,482
Promissory notes	承兌票據	3%	–	5,688	–	5,668	5,558
As at 31 May 2024	於 2024 年 5 月 31 日						
Payables and accrued charges	應付款項及應計費用	–	9,001	–	–	9,001	9,001
Lease liabilities	租賃負債	3.49%	409	–	–	409	405
Promissory notes	承兌票據	3%	3,473	–	–	3,473	3,446

The Company provides financial guarantees to banks for banking facilities of its subsidiary company. The Company monitors on an ongoing basis, the results of the subsidiary company and repayments made by the subsidiary company. The maximum exposure to credit risk are equivalent to the amounts of the banking facilities utilised by the said subsidiary company as of the reporting date. As of the reporting date, there was no indicator that the subsidiary company would default on repayment.

本公司已就其附屬公司之銀行融資向銀行作出財務擔保。本公司持續監控附屬公司業績及還款情況。所面臨之最大信貸風險相當於所述附屬公司截至報告日期所動用之銀行融資金額。截至報告日期，概無跡象表明附屬公司將拖欠還款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

The Group has a team headed by the finance manager performing valuations for the financial instruments. The team reports directly to the chief financial officer and the audit committee.

(ii) Fair value of the financial assets and liabilities carried other than fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Fair values of the financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

32. 金融工具(續)

(c) 公平值計量

(i) 按公平值計量的金融資產及負債

公平值層級

公平值計量所歸入的等級參照估值技術所用輸入數據的可觀察性及重要性釐定如下：

- 第一級估值：僅使用第一級輸入數據，即相同資產或負債於計量日於活躍市場的報價（未經調整）計量的公平值。
- 第二級估值：使用第二級輸入數據，即不符合第一級標準的可觀察輸入數據，且不使用重要不可觀察輸入數據計量的公平值。不可觀察輸入數據指並無可得市場數據的輸入數據。
- 第三級估值：使用重要不可觀察輸入數據計量的公平值。

本集團擁有一支由財務經理領導之團隊，負責就金融工具進行估值。該團隊直接向財務總監及審核委員會報告。

(ii) 非以公平值列賬的金融資產及負債的公平值

董事認為，於綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。金融資產及金融負債的公平值已根據公認定價模式按貼現現金流量分析釐定，且最重要輸入數據為反映對手方信貸風險的貼現率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities

The table below details the reconciliation of opening and closing amounts in the consolidated statement of financial position for each liability for which cash flows have been or would be, classified as financing activities in the consolidated statement of cash flows:

33. 綜合現金流量表附註

(a) 融資活動產生的負債對賬

下表載列於綜合現金流量表已或將分類為融資活動的現金流量各項負債於綜合財務狀況表之期初及期末金額對賬詳情：

		Promissory notes 承兌票據 RM'000 千令吉	Interest payable 應付利息 RM'000 千令吉	Lease liabilities 租賃負債 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2023	於2023年6月1日	3,276	–	1,030	4,306
Non-cash changes:	非現金變動：				
Exchange difference	匯兌差額	71	–	–	71
Interest expenses	利息開支	99	10	24	133
		3,446	10	1,054	4,510
Changes from financing cash flows:	融資現金流量變動：				
Capital element of lease rentals paid	已付租金之資本部分	–	–	(625)	(625)
Interest element of lease rentals paid	已付租金之利息部分	–	–	(24)	(24)
Finance costs paid	已付融資成本	–	(10)	–	(10)
At 31 May 2024 and 1 June 2024	於2024年5月31日及 2024年6月1日	3,446	–	405	3,851
Non-cash changes:	非現金變動：				
Settlement of acquisition cost of a subsidiary by the issue of promissory notes	透過發行承兌票據結算 一間附屬公司之 收購成本	3,166	–	–	3,166
New leases entered	新訂租賃	–	–	1,753	1,753
Exchange difference	匯兌差額	(351)	–	–	(351)
Interest expenses	利息開支	110	9	24	143
		6,371	9	2,182	8,562
Changes from financing cash flows:	融資現金流量變動：				
Capital element of lease rentals paid	已付租金之資本部分	–	–	(676)	(676)
Interest element of lease rentals paid	已付租金之利息部分	–	–	(24)	(24)
Repayment of promissory note	償還承兌票據	(813)	–	–	(813)
Finance costs paid	已付融資成本	–	(9)	–	(9)
At 31 May 2025	於2025年5月31日	5,558	–	1,482	7,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Major non-cash transactions

During the year ended 31 May 2025, the Group entered into the following major non-cash transactions:

- (i) Acquisition of a subsidiary for a total consideration of HK\$5,500,000 (equivalent to RM3,166,000), which was fully settled through the issuance of promissory notes.
- (ii) Settlement of a previously issued promissory note with a new one amounting to HK\$4,000,000 (equivalent to RM2,167,000).
- (iii) Additions to right-of-use assets during the year were financed through the recognition of lease liabilities amounting to RM1,753,000.

34. BANKING FACILITIES

At 31 May 2025, a subsidiary company of the Group has banking facilities amounting to approximately RM5,750,000 (2024: RM5,750,000).

These facilities are secured by:

- (i) leasehold land under right-of-use assets and building with a carrying amount of approximately RM196,000 (2024: RM207,000);
- (ii) fixed deposits amounting to approximately RM1,176,000 (2024: RM212,000); and
- (iii) corporate guarantee by the Company amounting to RM7,050,000 (2024: RM5,750,000).

At 31 May 2025, the utilisation of banking facilities amounted to nil (2024: RM534,000) for the performance guarantee disclosed in note 36.

33. 綜合現金流量表附註(續)

(b) 主要非現金交易

於截至2025年5月31日止年度，本集團訂立以下主要非現金交易：

- (i) 收購一間附屬公司，總代價為5,500,000港元（相當於3,166,000令吉），已透過發行承兌票據悉數結清。
- (ii) 以金額為4,000,000港元（相當於2,167,000令吉）的新承兌票據結算先前發行的承兌票據。
- (iii) 年內添置使用權資產乃透過確認租賃負債1,753,000令吉撥付。

34. 銀行融資

於2025年5月31日，本集團的一間附屬公司的銀行融資約為5,750,000令吉（2024年：5,750,000令吉）。

該等融資由以下各項抵押：

- (i) 賬面值約為196,000令吉（2024年：207,000令吉）的使用權資產項下租賃土地及樓宇；
- (ii) 約為1,176,000令吉（2024年：212,000令吉）的定期存款；及
- (iii) 本公司提供的7,050,000令吉（2024年：5,750,000令吉）公司擔保。

於2025年5月31日，動用的銀行融資為零（2024年：534,000令吉），用於附註36中所披露的履約擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35. INTERESTS IN SUBSIDIARY COMPANIES

During the year, the Company has direct and indirect shareholders/equity interests in the following subsidiary companies:

35. 於附屬公司的權益

年內，本公司於下列附屬公司擁有直接及間接股東／股本權益：

Name of Company 公司名稱	Place of incorporation/ operation 註冊成立／ 營業地點	Equity attributable to the Group 本集團應佔股權		Principal activities 主要業務
		Issued and fully paid-up share capital 已發行及 繳足股本	At 31 May 2025 於 2025年 5月31日	At 31 May 2024 於 2024年 5月31日
Target Precast Industries Sdn. Bhd.	Malaysia 馬來西亞	RM500,000 500,000 令吉	100%	100%
Target Sales & Marketing Sdn. Bhd.	Malaysia 馬來西亞	RM70,002 70,002 令吉	100%	100%
Target Crane & Logistic Sdn. Bhd.	Malaysia 馬來西亞	RM100 100 令吉	100%	100%
Gallant Empire Limited*	British Virgins Island 英屬處女群島	US\$1,000 1,000 美元	100%	100%
SK Target Holdings Sdn. Bhd.	Malaysia 馬來西亞	RM100 100 令吉	100%	100%
Loyal Earn Limited	Hong Kong 香港	HKD1 1 港元	100%	100%
Target Foundry Sdn Bhd	Malaysia 馬來西亞	RM100 100 令吉	100%	100%
SK Solutions Limited	Hong Kong 香港	HKD100 100 港元	100%	100%
Vansion Intelligent Living Services (HK) Limited* 萬順智慧生活服務(香港)有限公司*	Hong Kong 香港	HKD10,000 10,000 港元	100%	—
Wanshun Smart Life Services (Shenzhen) Co., Ltd. 萬順智慧生活服務(深圳)有限公司	the People's Republic of China (the "PRC") 中華人民共和國 (「中國」)	Renminbi ("RMB") 1,000,000 人民幣(「人民幣」) 1,000,000 元	100%	—
Shenzhen Vansion Full Intelligent Living Services Limited 深圳萬順福智慧生活服務有限公司	PRC 中國	RMB10,000,000 人民幣 10,000,000 元	100%	—

* Directly held by the Company

* 由本公司直接持有

None of the subsidiary companies had issued any debt securities at the end of the reporting period.

概無附屬公司於報告期末發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36. PERFORMANCE GUARANTEE

At the end of the reporting period, the Group has provided a performance guarantee in respect of a project signed with Telekom Malaysia Berhad, a customer, amounting to nil (2024: RM534,000) for securing a project. This guarantee will be discharged upon the completion of the project.

37. RELATED PARTIES TRANSACTIONS

- (a) Balances with related parties are disclosed in the consolidated statement of financial position and in note 22.
- (b) The remuneration paid or payable to the key management personnel, being the directors of the Company, during the year is included in note 6. The remuneration of key management personnel is determined with reference to the performance of the individuals and market trends.

36. 履約擔保

於報告期末，本集團已就與一名客戶 Telekom Malaysia Berhad 簽署的項目提供履約擔保，金額為零（2024 年：534,000 令吉），以擔保有關項目。該擔保將於項目完成後解除。

37. 關聯方交易

- (a) 與關聯方的結餘於綜合財務狀況表及附註 22 披露。
- (b) 年內已付或應付主要管理人員（即本公司董事）的薪酬載於附註 6。主要管理人員的薪酬乃參考個人表現及市場趨勢釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

38. 本公司的財務狀況表

本公司於報告期末的財務狀況表的資料包括：

		2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Non-Current Asset	非流動資產		
Investment in subsidiaries	於附屬公司的投資	3,166	–
Current Assets	流動資產		
Receivables, deposits and prepayment	應收款項、按金及預付款	488	1,054
Amounts due from subsidiary companies (Note a)	應收附屬公司款項 (附註 a)	2,488	1,753
Cash and bank balances	現金及銀行結餘	–	93
Total Current Assets	流動資產總值	2,976	2,900
Current Liabilities	流動負債		
Payable and accrued charges	應付款項及應計費用	1,008	682
Amounts due to subsidiary companies (Note a)	應付附屬公司款項 (附註 a)	2,419	2,832
Total Current Liabilities	流動負債總額	3,427	3,514
Net Current Liabilities	淨流動負債	(451)	(614)
Non-Current Liability	非流動負債		
Promissory notes	承兌票據	3,204	–
Total Non-Current Liability	非流動負債總額	3,204	–
Net Liabilities	淨負債	(489)	(614)
Capital and Reserves	資本及儲備		
Share capital	股本	7,265	6,028
Share premium	股份溢價	28,074	28,074
Accumulated losses (note b)	累計虧損 (附註 b)	(35,828)	(34,716)
Capital Deficiencies	資本虧絀	(489)	(614)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

The movements of the Company's equity are as follows:

38. 本公司的財務狀況表 (續)

本公司的權益變動如下：

		Share capital 股本 (note 28) (附註28)	Share premium 股份溢價 (note 29(a)) (附註29(a))	Accumulated losses 累積虧損	Total 總計
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
At 1 June 2023	於2023年6月1日	5,438	28,059	(33,432)	65
Loss for the year	年內虧損	–	–	(1,284)	(1,284)
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股發行認購股份	590	15	–	605
At 31 May 2024 and 1 June 2024	於2024年5月31日及2024年6月1日	6,028	28,074	(34,716)	(614)
Loss for the year	年內虧損	–	–	(1,112)	(1,112)
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股發行認購股份	1,237	–	–	1,237
At 31 May 2025	於2025年5月31日	7,265	28,074	(35,828)	(489)

Notes:

- (a) The amounts due from/(to) subsidiary companies are unsecured, interest-free and repayable on demand.
- (b) The loss for the year ended 31 May 2025 comprises the allowance for credit losses recognised against amounts due from subsidiary companies of approximately RM481,000 (2024: reversal of allowance for credit losses RM10,000).

附註：

- (a) 應收／(應付) 附屬公司款項為無抵押、免息及須按要求償還。
- (b) 截至2025年5月31日止年度之虧損包括就應收附屬公司款項確認的信貸虧損撥備約481,000令吉(2024年：信貸虧損撥備撥回10,000令吉)。

The financial position of the Company was approved and authorised for issue by the Board of Directors on 29 August 2025 and are signed on behalf by:

本公司的財務狀況表已於2025年8月29日由董事會批准並授權刊發，並由下列董事代表簽署：

Loh Swee Keong

Director
董事

Yau Ka Hei

邱家禧
Independent Non-Executive Director
獨立非執行董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39. COMMITMENT

Capital commitment contracted for at the end of the reporting year but not yet incurred is as follow:

	2025 2025 年 RM'000 千令吉	2024 2024 年 RM'000 千令吉
Property, plant and equipment 物業、廠房及設備	542	7,157

40. OPERATING LEASE ARRANGEMENTS

The Group as lessee

The Group entered into several short-term leases for equipment. As at 31 May 2025, the outstanding lease commitments relating to these equipment is nil (2024: RM6,000).

41. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MAY 2025

Up to the date of issue of these financial statements, the IASB has issued a number of amendments and a new standard which are not yet effective for the year ended 31 May 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

IFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to IAS 21 and IFRS 1	Lack of Exchangeability ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11 ²

39. 承擔

於報告年末已訂立但尚未產生的資本承擔如下：

40. 經營租賃安排

本集團作為承租人

本集團就設備訂立若干短期租賃。於2025年5月31日，與該等設備有關的未償還租賃承擔為零（2024年：6,000令吉）。

41. 已頒佈但於截至2025年5月31日止年度尚未生效之修訂、新增準則及詮釋之可能影響

截至該等財務報表刊發日期，國際會計準則理事會已頒佈多項修訂本及一項新準則，尚未於截至2025年5月31日止年度生效及於該等財務報表內採納。該等發展包括下列可能與本集團相關者。

國際財務報告準則第18號	財務報表的呈列及披露 ³
國際財務報告準則第9號及國際財務報告準則第7號（修訂本）	金融工具的分類和計量 ²
國際財務報告準則第9號及國際財務報告準則第7號（修訂本）	涉及依賴自然能源生產電力的合約 ²
國際財務報告準則第10號及國際會計準則第28號（修訂本）	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁴
國際會計準則第21號及國際財務報告準則第1號（修訂本）	缺乏可兌換性 ¹
國際財務報告準則會計準則（修訂本）	國際財務報告準則會計準則的年度改進 — 第11卷 ²

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR

ENDED 31 MAY 2025 (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2025
- ² Effective for annual periods beginning on or after 1 January 2026
- ³ Effective for annual periods beginning on or after 1 January 2027
- ⁴ Effect date to be determined by the IASB

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for IFRS 18 as disclosed below.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements* ("IAS 1"). This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements; and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of IFRS 18 is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

41. 已頒佈但於截至2025年5月31日止年度尚未生效之修訂、新增準則及詮釋之可能影響(續)

- ¹ 於2025年1月1日或之後開始之年度期間生效
- ² 於2026年1月1日或之後開始之年度期間生效
- ³ 於2027年1月1日或之後開始之年度期間生效
- ⁴ 於待國際會計準則理事會釐定之日期生效

本集團正在評估該等發展於首次應用期間預期產生的影響。迄今為止，除下文國際財務報告準則第18號所披露者外，本集團認為採納該等修訂不大可能對綜合財務報表造成重大影響。

國際財務報告準則第18號財務報表的呈列及披露

國際財務報告準則第18號財務報表的呈列及披露(「國際財務報告準則第18號」)載列財務報表的呈列及披露規定，將取代國際會計準則第1號財務報表的呈列(「國際會計準則第1號」)。此新訂國際財務報告準則會計準則在延續國際會計準則第1號中眾多規定的同時，引入數項新規定，包括於損益表中呈列指定類別及所界定的小計項目；於財務報表附註披露管理層界定的業績指標以及改進於財務報表中披露的資料合併及分類。此外，國際會計準則第1號的部分段落已移至國際會計準則第8號會計政策、會計估計變動及差錯及國際財務報告準則第7號金融工具：披露。國際會計準則第7號現金流量表及國際會計準則第33號每股盈利亦作出細微修訂。

國際財務報告準則第18號及其他準則的修訂本將於2027年1月1日或之後開始的年度期間生效，並允許提早應用。應用國際財務報告準則第18號預期將會影響綜合損益表的呈列以及未來綜合財務報表的披露。本集團正在評估國際財務報告準則第18號對本集團綜合財務報表的詳細影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 18 June 2025 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Wanshun Technology Industrial (Shenzhen) Group Co., Limited (萬順科技產業(深圳)集團有限公司) (“**Wanshun Technology**”), a company incorporated in PRC, based in Shenzhen, Guangdong province. One of the Wanshun Technology’s subsidiaries is principally engaged in online ride hailing service and other related services in 195 cities with approximately 2.3 million active users and approximately 100,000 active drivers. The Company and Wanshun Technology wishes to utilise each other’s resources and explore potential strategic cooperation in the online ride hailing service and other related services (the “**Possible Cooperation**”) in order to capture exploding market demand in PRC and Malaysia. Pursuant to the MOU, both parties agreed to conduct further discussions and explore opportunities on the Possible Cooperation in PRC and Malaysia.

On 1 August 2025 (after trading hours), Wanshun Technology Industrial Group Limited, a company incorporate in Hong Kong with limited liability (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd., a company incorporated in the PRC with limited liability (the “**Target Company**”), Gallant Empire Limited, a company incorporated in the British Virgin Islands and a directly wholly-owned by the Company (the “**Purchaser**”) entered into the Sale and Purchase Agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor (“**Sale Capital**”) for a total Consideration of HK\$34.874 million, which shall be settled issue of 1,215,630 new Shares to be allotted and issued by the Company to the Vendor credited as fully paid for the purpose of the settlement of the Consideration (the “**Consideration Shares**”). As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) for the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders’ approval requirement set out in the GEM Listing Rules.

The board (the “**Board**”) of directors (“**Directors**”) of WS-SK Target Group Limited (the “**Company**”) changed the board lot size of the ordinary shares in the Company (the “**Share(s)**”) for trading on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) from 1,200 Shares to 400 Shares with effect from 9:00 a.m. on 22 August 2025.

42. 報告期末後事項

於2025年6月18日(交易時段後)，本公司與萬順科技產業(深圳)集團有限公司(「萬順科技」)訂立無法律約束力之諒解備忘錄(「**諒解備忘錄**」)，萬順科技為一間於中國成立之公司，總部設於廣東省深圳市。萬順科技的一家附屬公司主要從事網絡叫車服務及其他相關服務。在195個城市營運，擁有約230萬名活躍用戶和約100,000名活躍司機。本公司和萬順科技希望透過善用彼此的資源探討網絡叫車服務及其他相關服務的潛在戰略合作(「**可能合作**」)以抓住中國和馬來西亞不斷增長的市場需求。根據諒解備忘錄，雙方同意進一步洽談並探索在中國和馬來西亞的可能合作機會。

於2025年8月1日(交易時段後)，Wanshun Technology Industrial Group Limited(一家於香港註冊成立的有限公司)(「**賣方**」)、深圳萬順叫車雲信息技術有限公司(一家於中國註冊成立的有限公司)(「**目標公司**」)及Gallant Empire Limited(一家於英屬處女群島註冊成立的公司，並由本公司直接全資擁有)(「**買方**」)訂立買賣協議，據此，買方同意購買而賣方同意出售由賣方合法及實益擁有的目標公司註冊資本的1%(「**銷售資本**」)，總代價為34.874百萬港元，將透過本公司向賣方配發及發行1,215,630股入賬列作繳足的新股份以結算代價(「**代價股份**」)之方式結算。由於收購事項之一項或多項適用百分比率(定義見GEM上市規則)超過5%，但全部低於25%，故收購事項構成本公司之須予披露交易，須遵守申報及公佈規定，惟獲豁免遵守GEM上市規則所載之股東批准規定。

萬順瑞強集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)將本公司普通股(「**股份**」)於香港聯合交易所有限公司(「**聯交所**」)買賣之每手買賣單位由1,200股股份變更為400股股份，自2025年8月22日上午九時正起生效。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

RESULTS 業績		Year ended 31 May 截至5月31日止年度				
		2025	2024	2023	2022	2021
		2025 年	2024 年	2023 年	2022 年	2021 年
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Revenue from continuing operations	來自持續經營業務的收入	31,555	30,681	30,301	21,287	21,073
Gross profit from continuing operations	來自持續經營業務的毛利	9,387	8,559	6,923	3,568	4,671
Profit before taxation from continuing operations	來自持續經營業務的除稅前溢利	1,695	1,632	818	(1,609)	(2,966)
Profit/(loss) for the year	年內溢利／(虧損)	82	108	88	(1,923)	(4,853)
— from continuing operations	— 來自持續經營業務	481	493	311	(1,941)	(3,642)
— from discontinued operations	— 來自已終止經營業務	(399)	(385)	(223)	18	(1,211)

ASSETS AND LIABILITIES 資產及負債		As at 31 May 於5月31日				
		2025	2024	2023	2022	2021
		2025 年	2024 年	2023 年	2022 年	2021 年
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Total assets	資產總值	55,163	50,607	50,658	41,694	42,410
Total liabilities	負債總額	18,455	14,309	15,483	8,780	8,822
Net assets	淨資產	36,708	36,298	35,175	32,914	33,588
CAPITAL AND RESERVES	資本及儲備					
Total equity	權益總額	36,708	36,298	35,175	32,914	33,588



WS-SK TARGET GROUP LIMITED
萬順瑞強集團有限公司

WS-SK TARGET GROUP LIMITED 萬順瑞強集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 8427

2025

INTERIM REPORT
中期業績報告

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small & mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on the GEM are generally small & mid-sized companies, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on the GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “**Directors**”) of WS-SK Target Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司（「聯交所」）GEM的特色

GEM的定位乃為相比起其他在聯交所上市的公司帶有較高投資風險的中小型公司提供一個上市的市場。有意投資的人士應瞭解投資該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於在**GEM**上市之公司一般為中小型公司，在**GEM**買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時亦無法保證在**GEM**買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

本報告乃遵照香港聯合交易所有限公司**GEM**證券上市規則（「**GEM 上市規則**」）的規定而提供有關萬順瑞強集團有限公司（「**本公司**」）的資料。本公司各董事（「**董事**」）對此共同及個別地承擔全部責任。董事在作出一切合理查詢後確認，就彼等深知及確信，本報告所載資料在各重大方面均為準確及完整，且並無誤導或欺詐成分，亦無遺漏其他事項致使本報告或其所載任何陳述有所誤導。

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE IN CAYMAN ISLANDS

Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

18, Jalan LP 2A/2,
Taman Lestari Perdana,
43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1406–08, 14/F,
Austin Tower,
22–26 Austin Avenue,
Tsimshatsui, Kowloon, Hong Kong

EXECUTIVE DIRECTOR

Mr. Loh Swee Keong
(Chairman and Chief Executive Officer)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei
Mr. Ma, She Shing Albert
Ms. Chan Sheung Yu
(resigned on 6 August 2025)
Ms. Yau Ka Ying
(appointed on 6 August 2025)

開曼群島註冊辦事處

Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

總部及馬來西亞 主要營業地點

18, Jalan LP 2A/2,
Taman Lestari Perdana,
43300 Seri Kembangan, Selangor,
Darul Ehsan, Malaysia

香港主要營業地點

香港九龍尖沙咀
柯士甸路22–26號
好兆年行
14樓1406–08室

執行董事

Loh Swee Keong 先生
(主席兼行政總裁)

獨立非執行董事

邱家禧先生
馬希聖先生
陳湘沕女士(於二零二五年
八月六日辭任)
丘嘉榮女士(於二零二五年
八月六日獲委任)

CORPORATE INFORMATION

公司資料

COMPANY SECRETARY

Mr. Leung Tze Wai, CPA

COMPLIANCE OFFICER

Mr. Loh Swee Keong

AUDIT COMMITTEE

Mr. Yau Ka Hei (*Chairman*)

Mr. Ma, She Shing Albert

Ms. Chan Sheung Yu
(resigned on 6 August 2025)

Ms. Yau Ka Ying
(appointed on 6 August 2025)

REMUNERATION COMMITTEE

Mr. Yau Ka Hei (*Chairman*)

Mr. Loh Swee Keong

Mr. Ma, She Shing Albert

NOMINATION COMMITTEE

Mr. Loh Swee Keong (*Chairman*)

Mr. Yau Ka Hei

Mr. Ma, She Shing Albert
(ceased to act on 1 July 2025)

Ms. Chan Sheung Yu
(appointed on 1 July 2025
and ceased to act on 6 August 2025)

Ms. Yau Ka Ying
(appointed on 6 August 2025)

AUTHORIZED REPRESENTATIVE

Mr. Loh Swee Keong

Mr. Leung Tze Wai, CPA

公司秘書

梁子煒先生，註冊會計師

合規主任

Loh Swee Keong 先生

審核委員會

邱家禧先生 (*主席*)

馬希聖先生

陳湘洳女士 (於二零二五年
八月六日辭任)

丘嘉榮女士 (於二零二五年
八月六日獲委任)

薪酬委員會

邱家禧先生 (*主席*)

Loh Swee Keong 先生

馬希聖先生

提名委員會

Loh Swee Keong 先生 (*主席*)

邱家禧先生

馬希聖先生

(於二零二五年七月一日卸任)

陳湘洳女士

(於二零二五年七月一日
獲委任及於二零二五年
八月六日辭任)

丘嘉榮女士

(於二零二五年八月六日獲委任)

授權代表

Loh Swee Keong 先生

梁子煒先生，註冊會計師

**CAYMAN ISLANDS PRINCIPAL
SHARE REGISTRAR
AND TRANSFER OFFICE**

Ocorian Trust (Cayman) Limited
Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

**HONG KONG BRANCH SHARE
REGISTRAR AND TRANSFER
OFFICE**

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong

PRINCIPAL BANKER

CIMB Bank Berhad
Public Bank Berhad

AUDITORS

McMillan Woods (Hong Kong) CPA Limited

COMPANY'S WEBSITE ADDRESS

www.sktargetgroup.com

STOCK CODE

8427

**開曼群島股份過戶
登記總處**

Ocorian Trust (Cayman) Limited
Windward 3,
Regatta Office Park,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

CIMB Bank Berhad
Public Bank Berhad

核數師

長青(香港)會計師事務所
有限公司

公司網址

www.sktargetgroup.com

股份代號

8427

INTERIM RESULTS

中期業績

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 November 2025 (the “**Interim Financial Statements**”) together with the unaudited comparative figures for the corresponding period in 2024 as follows:

本公司董事會（「**董事會**」）欣然提呈以下本公司及其附屬公司（統稱「**本集團**」）截至二零二五年十一月三十日止六個月的未經審核簡明綜合業績（「**中期財務報表**」）連同二零二四年同期未經審核比較數字：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Note 附註			
	Continuing operations 持續經營		
	Revenue 收入	4 18,905	15,494
	Cost of sales 銷售成本	(13,459)	(11,183)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

			Six months ended 30 November 截至十一月三十日止六個月	
			2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
	Notes 附註			
Gross profit	毛利		5,446	4,311
Other income	其他收入		471	506
Administrative expenses	行政開支		(2,710)	(2,516)
Selling and distribution expenses	銷售及分銷開支		(1,213)	(899)
Finance costs	融資成本	5	(104)	(46)
Share of result of an associate	應佔聯營公司業績		(484)	(3)
Profit before taxation	除稅前溢利	6	1,406	1,353
Taxation	稅項	7	(617)	(606)
Profit for the period from continuing operations	來自持續經營業務之期內溢利		789	747
Discontinued operations	已終止經營			
Loss from discontinued operations	來自已終止經營業務之虧損		—	(25)
Profit for the period	期內溢利		789	722

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
	Note 附註		
Other comprehensive income items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的其他全面收益項目：		
Exchange differences arising on translation of foreign operations	境外業務換算產生的匯兌差額	(161)	(468)
Total comprehensive income for the period	期內全面收益總額	628	254
Earnings per share	每股盈利		
Basic (RM cents)	基本(仙令吉)		
— From continuing operations	— 來自持續經營業務	4.83	4.77
— From discontinued operations	— 來自已終止經營業務	—	(0.16)
— From continuing and discontinued operations	— 來自持續經營及已終止經營業務	4.83	4.61

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at 30 November 2025 於二零二五年十一月三十日

			30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
	Notes 附註			
Non-Current Assets		非流動資產		
Property, plant and equipment		物業、廠房及設備	7,796	6,676
Investment property		投資物業	343	345
Right of use assets		使用權資產	9,273	9,838
Investment in an associate		於聯營公司的投資	2,087	2,617
Intangible asset		無形資產	2,597	2,915
Goodwill		商譽	4	4
Total Non-Current Assets		非流動資產總額	22,100	22,395
Current Assets		流動資產		
Inventories		存貨	1,958	1,735
Receivables, deposits and prepayment		應收款項、按金及預付款	6,166	8,057
Amount owing from ultimate holding company	10	應收最終控股公司款項	45	45
Amount owing from a shareholder	11	應收股東款項	32	32
Tax recoverable		可收回稅項	186	169
Short-term bank deposits		短期銀行存款	18,703	18,676
Cash and bank balances		現金及銀行結餘	4,681	4,054
Total Current Assets		流動資產總額	31,771	32,768

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at 30 November 2025 於二零二五年十一月三十日

		Notes 附註	30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
Current Liabilities	流動負債			
Payables and accrued charges	應付款項及應計費用	13	10,101	11,280
Leased liabilities	租賃負債		358	791
Tax payables	應付稅項		12	24
Promissory note	承兌票據		—	—
			10,471	12,095
Net Current Assets	流動資產淨值		21,300	20,673
Total Assets Less Current Liabilities	總資產減流動負債		43,400	43,068
Non-Current Liabilities	非流動負債			
Leased liabilities	租賃負債		618	691
Deferred tax liabilities	遞延稅項負債		108	111
Promissory notes	承兌票據		5,338	5,558
Total Non-Current Liability	非流動負債總額		6,064	6,360
Net Assets	淨資產		37,336	36,708
Capital and Reserves	股本及儲備			
Share capital	股本	14	7,265	7,265
Reserve	儲備		30,071	29,443
Total Equity	權益總額		37,336	36,708

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Share capital 股本 RM'000 千令吉	Share premium 股份溢價 RM'000 千令吉	Other reserve 其他儲備 RM'000 千令吉	Translation reserve 匯兌儲備 RM'000 千令吉	Accumulated losses 累計虧損 RM'000 千令吉	Total 總計 RM'000 千令吉
At 31 May 2024 (audited)	於二零二四年 五月三十一日 (經審核)	6,028	28,074	8,579	460	(6,843)	36,298
Profit for the period	期內溢利	-	-	-	-	722	722
Exchange differences arising on translation of foreign operations	境外業務換算 產生的匯兌差額	-	-	-	(468)	-	(468)
Total comprehensive income for the period	期內全面收益總額	-	-	-	(468)	722	254
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股 發行認購股份	1,237	-	-	-	-	1,237
At 30 November 2024 (unaudited)	於二零二四年 十一月三十日 (未經審核)	7,265	28,074	8,579	(8)	(6,121)	37,789

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Share capital 股本 RM'000 千令吉	Share premium 股份溢價 RM'000 千令吉	Other reserve 其他儲備 RM'000 千令吉	Translation reserve 匯兌儲備 RM'000 千令吉	Accumulated losses 累計虧損 RM'000 千令吉	Total 總計 RM'000 千令吉
At 31 May 2025 (audited)	於二零二五年 五月三十一日 (經審核)	7,265	28,074	8,579	(449)	(6,761)	36,708
Profit for the period	期內溢利	-	-	-	-	789	789
Exchange differences arising on translation of foreign operations	境外業務換算 產生的匯兌差額	-	-	-	(161)	-	(161)
Total comprehensive income for the period	期內全面收益總額	-	-	-	(161)	789	628
At 30 November 2025 (unaudited)	於二零二五年 十一月三十日 (未經審核)	7,265	28,074	8,579	(610)	(5,972)	37,336

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Net Cash Generated From (Used in) Operating Activities	經營活動所得 (所用) 現金 淨額	3,161	(1,141)
INVESTING ACTIVITIES	投資活動		
Proceed from disposal of property, plant and equipment	出售物業、廠房及 設備之所得款項	–	158
Interest received	已收利息	–	421
Purchase of property, plant and equipment	購買物業、廠房 及設備	(1,679)	(2,479)
Increase in pledged short-term bank deposits	質押短期銀行 存款增加	(27)	(30)
Net Cash Used In Investing Activities	投資活動所用 現金淨額	(1,706)	(1,930)
FINANCING ACTIVITIES	融資活動		
Proceed from issue of shares	發行股份所得款項	–	1,237
Repayment of promissory note	償還承兌票據	–	(885)
Finance costs paid	已付融資成本	(6)	(4)
Capital element on lease rental paid	已付租賃租金之 本金部分	(379)	(146)
Interest element on lease rental paid	已付租賃租金之 利息部分	(22)	(4)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES	融資活動(所用) 所得現金淨額	(407)	198
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物 增加(減少)淨額	1,048	(2,873)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金 等價物	21,554	27,082
Effects of exchange differences	匯兌差額的影響	(421)	(777)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金 等價物	22,181	23,432
REPRESENTED BY:	呈列為：		
Current:	即期：		
Short-term bank deposits	短期銀行存款	18,703	19,299
Cash and bank balances	現金及銀行結餘	4,681	5,312
Total	總計	23,384	24,611
Less: Deposits pledged as security	減：已質押作擔保 之存款	(1,203)	(1,179)
Cash and cash equivalents	現金及現金等價物	22,181	23,432

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

1. GENERAL INFORMATION

WS-SK Target Group Limited (formerly known as SK Target Group Limited) (the “**Company**”) was incorporated in the Cayman Islands with limited liability on 28 October 2016. The addresses of the registered office and principal place of business are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia, respectively.

Merchant World Investments Limited (“**Merchant World**”), a limited company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate holding company of the Company. Mr. Loh Swee Keong, is the ultimate controlling party of the Company who wholly owns Merchant World.

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia; and e-commerce platform in the People’s Republic of China.

1. 一般資料

萬順瑞強集團有限公司（前稱為瑞強集團有限公司）（「**本公司**」）於二零一六年十月二十八日在開曼群島註冊成立為有限公司。註冊辦事處地址以及主要營業地點分別為Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands 及 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia。

Merchant World Investments Limited（「**Merchant World**」，一家在英屬處女群島（「**英屬處女群島**」）註冊成立的有限公司）是本公司的直接及最終控股公司。Loh Swee Keong先生為本公司之最終控股方，Merchant World由其全資擁有。

本公司是一家投資控股公司，而本集團的主要業務為於馬來西亞從事預製混凝土接線盒的製造和貿易、配件及管道貿易以及提供移動式起重機租賃及配套服務；及於中華人民共和國從事電子商務平台。

2. BASIS OF PREPARATION AND PRESENTATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 November 2025 (the “**Interim Financial Statements**”) have been prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those adopted in the annual report for the year ended 31 May 2025 (the “**2025 Annual Financial Statements**”), except for the adoption of the new and revised IFRSs which are effective for the financial year begin on or after 1 June 2025. The adoption of the new and revised IFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared or presented. Accordingly, no prior period adjustment has been required. The Group has not early adopted any new and revised IFRSs that has been issued but not yet effective in the current accounting period. The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the 2025 Annual Financial Statements.

2. 編製及呈列基準

本集團截至二零二五年十一月三十日止六個月的未經審核簡明綜合財務報表（「**中期財務報表**」）乃根據國際會計準則理事會（「**國際會計準則理事會**」）頒佈之國際財務報告準則（「**國際財務報告準則**」）及GEM上市規則的適用披露規定而編製。

除採納於二零二五年六月一日或之後開始的財政年度生效的新訂及經修訂國際財務報告準則外，編製中期財務報表所採納的會計政策及計算方法與截至二零二五年五月三十一日止年度的年報（「**二零二五年度財務報表**」）中所採用者一致。採納新訂及經修訂國際財務報告準則對編製或呈列當前或過往會計期間的業績及財務狀況並無重大影響。因此，無需就過往期間作出調整。本集團並無提早採納任何於當前會計期間已頒佈但尚未生效之新訂及經修訂國際財務報告準則。中期財務報表不包括年度財務報表所規定的所有資料及披露，並應與二零二五年度財務報表一併閱讀。

2. BASIS OF PREPARATION AND PRESENTATION (Continued)

The Interim Financial Statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values. The Interim Financial Statements are presented in Malaysian Ringgit (“**RM**”), which is also the functional currency of the Company. All values are rounded to nearest thousands (RM’000), unless otherwise stated.

3. ESTIMATES

The preparation of Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Interim Financial Statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2025 Annual Financial Statements.

2. 編製及呈列基準(續)

除若干金融工具按公平值計量外，中期財務報表乃按歷史成本基準編製。中期財務報表以馬來西亞令吉(「**令吉**」)呈列，其亦為本公司的功能貨幣。除另有說明外，所有數值均約整至最接近千位數(千令吉)。

3. 估計

管理層在編製中期財務報表時須作出判斷、估計及假設，該等判斷、估計及假設會影響會計政策的應用以及所呈報的資產及負債、收入及開支的金額。實際結果可能與該等估計有所差異。

編製該等中期財務報表時，管理層在應用本集團的會計政策時所作出的重大判斷及估計不確定因素的主要來源與編製二零二五年度財務報表所應用者相同。

4. REVENUE AND SEGMENTAL INFORMATION

Information reported to Mr. Loh Swee Keong, the Director of the Group, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance is based on the following reportable and operating segments identified under IFRS 8 Operating Segments:

- (a) Manufacturing and trading — manufacturing and trading of precast concrete junction boxes; and
- (b) Other building materials and services — trading of accessories and pipes and provision of mobile crane rental and ancillary services.
- (c) E-Commerce platform — sourcing and sales of products online

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The operations of sourcing services and sale of health supplement products were discontinued in the prior period. The following segment information does not include any amount for the discontinued operations.

4. 收入及分部資料

就資源分配及分部表現評估目的而向本集團董事Loh Swee Keong先生(即首席經營決策人(「首席經營決策人」))匯報的資料，乃按下列根據國際財務報告準則第8號經營分部而識別的可報告及經營分部呈報：

- (a) 製造及貿易 — 預製混凝土接線盒的製造及貿易；及
- (b) 其他建築材料及服務 — 配件及管道貿易以及提供移動式起重機租賃及配套服務。
- (c) 電子商務平台 — 線上採購及銷售產品

於達致本集團的可報告分部時，並無匯集計算由首席經營決策人識別的經營分部。

採購服務及銷售保健產品業務已於過往期間終止。下列分部資料並不包括任何已終止業務金額。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

4. REVENUE AND SEGMENTAL INFORMATION (Continued)

Segment revenues and results

Six months ended 30 November 2025

(unaudited)

Continuing operations

4. 收入及分部資料(續)

分部收入及業績

截至二零二五年十一月三十

日止六個月(未經審核)

持續經營業務

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	E-Commerce platform 電子商務平台 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入				
External sales	外部銷售	17,621	1,214	70	18,905
Inter-segment sales	分部間銷售	-	-	-	-
Segment revenue	分部收入	17,621	1,214	70	18,905
Elimination	抵銷				-
Group revenue	集團收入				18,905
Segment result	分部業績	5,137	250	59	5,446
Administrative expenses	行政開支				(2,710)
Selling and distribution expenses	銷售及分銷開支				(1,213)
Finance costs	融資成本				(104)
Other income	其他收入				471
Share of result of an associate	應佔聯營公司業績				(484)
Profit before taxation	除稅前溢利				1,406

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

4. REVENUE AND SEGMENTAL INFORMATION (Continued)

Segment revenues and results (Continued)

Six months ended 30 November 2024
(unaudited)

Continuing operations

4. 收入及分部資料(續)

分部收入及業績(續)

截至二零二四年十一月三十日
止六個月(未經審核)

持續經營業務

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入			
External sales	外部銷售	14,515	979	15,494
Inter-segment sales	分部間銷售	–	–	–
Segment revenue	分部收入	14,515	979	15,494
Elimination	抵銷			–
Group revenue	集團收入			15,494
Segment result	分部業績	4,208	103	4,311
Administrative expenses	行政開支			(2,516)
Selling and distribution expenses	銷售及分銷開支			(899)
Finance costs	融資成本			(46)
Other income	其他收入			506
Share of result of an associate	應佔聯營公司業績			(3)
Profit before taxation	除稅前溢利			1,353

4. REVENUE AND SEGMENTAL INFORMATION (Continued)

Segment revenues and results (Continued)

Segment results represents the profit from each segment without allocation of administrative expenses, listing expenses, selling and distribution expenses, finance costs, other income, fair value change of financial assets at fair value through profit or loss and taxation. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates with discount given for certain bulk purchase.

4. 收入及分部資料(續)

分部收入及業績(續)

分部業績乃指未分配行政開支、上市開支、銷售及分銷開支、融資成本、其他收入、按公平值計入損益的金融資產的公平值變動及稅項前各分部的溢利。此為就資源分配及表現評估目的而報告予首席經營決策人的計量方法。

分部間銷售以當前市場利率及就若干大宗採購給予的折扣計算。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

5. FINANCE COSTS

5. 融資成本

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Continuing operations	持續經營業務		
Interest expense on:	下列各項的利息		
	開支：		
Commitment fees	承諾費	5	5
Leased liabilities interest	租賃負債利息	22	4
Promissory note	承兌票據	77	37
		104	46

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/(crediting):

6. 除稅前溢利

除稅前溢利於扣除／(計入)以下各項後達致：

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Continuing operations	持續經營業務		
Auditor remuneration	核數師薪酬	244	238
Cost of inventories recognised as an expense	確認為開支的存貨成本	8,390	7,338
Staff costs, excluding Directors' remuneration:	員工成本，不包括董事薪酬：		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	2,285	2,032
— Retirement benefit scheme contributions	— 退休福利計劃供款	186	122
		2,471	2,154

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

6. PROFIT BEFORE TAXATION (Continued)

6. 除稅前溢利(續)

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Lease payments not included in the measurement of lease liabilities:	未計入租賃負債計量的租賃付款：		
Crane	起重機	191	194
Office equipment	辦公室設備	6	4
Depreciation on:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	558	414
Investment property	投資物業	2	2
Right-of-use assets	使用權資產	448	283
Unrealised (gain) loss on foreign exchange	未變現匯兌(收益)虧損	(763)	(1,208)
Interest income	利息收入	(348)	(421)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

7. TAXATION

7. 稅項

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 RM'000 千令吉 (Unaudited) (未經審核)	2024 二零二四年 RM'000 千令吉 (Unaudited) (未經審核)
Continuing operations	持續經營業務		
Malaysia corporate income tax:	馬來西亞企業所得稅：		
Current period	本期間	617	606
Deferred tax	遞延稅項	—	—
		617	606

Malaysia corporate income tax rate is calculated at the statutory tax rate of 24% for the six months ended 30 November 2025 (six months ended 30 November 2024: 24%) on the estimated assessable profits for each of the assessable period.

截至二零二五年十一月三十日止六個月，馬來西亞企業所得稅稅率就各應課稅期間的估計應課稅溢利按法定稅率24%（截至二零二四年十一月三十日止六個月：24%）計算。

7. TAXATION (Continued)

Hong Kong Profits Tax is calculated at a rate of 16.5% for the six months ended 30 November 2025 (six months ended 30 November 2024: 16.5%) of the estimated assessable profits for the period, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25%, and the remaining assessable profits are taxed at 16.5%. Such basis had been applied for the calculation of the provision for Hong Kong Profits Tax for this subsidiary for the period ended 30 November 2025.

Hong Kong Profits Tax has not been provided for the period end 30 November 2025 as there is no assessable profits for the period ended 30 November 2025.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the six months ended 30 November 2025 (six months ended 30 November 2024: 25%).

Enterprise Income Tax has not been provided for the period end 30 November 2025 as there is no assessable profits for the period ended 30 November 2025.

7. 稅項(續)

截至二零二五年十一月三十日止六個月之香港利得稅乃根據期內之估計應課稅溢利按16.5%（截至二零二四年十一月三十日止六個月：16.5%）之稅率計算，惟本集團一間附屬公司為利得稅兩級制下的合資格公司除外。就該附屬公司而言，首2,000,000港元的應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利則按16.5%的稅率徵稅。截至二零二五年十一月三十日止期間，該基準已應用於計算此附屬公司之香港利得稅撥備。

由於截至二零二五年十一月三十日止期間無應課稅溢利，故並無就截至二零二五年十一月三十日止期間計提香港利得稅撥備。

根據中國企業所得稅法（「**企業所得稅法**」）及企業所得稅法實施條例，中國附屬公司於截至二零二五年十一月三十日止六個月之稅率為25%（截至二零二四年十一月三十日止六個月：25%）。

由於截至二零二五年十一月三十日止期間無應課稅溢利，故並無就截至二零二五年十一月三十日止期間計提企業所得稅撥備。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

8. 每股盈利

每股基本盈利乃根據下列數據計算：

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 (Unaudited) (未經審核)	2024 二零二四年 (Unaudited) (未經審核)
Continuing operations	持續經營業務		
Earnings for the purpose of calculating basic earnings per share: profit for the period attributable to the owners of the Company (RM cent per share)	用於計算每股基本盈利的盈利：本公司擁有人應佔期內溢利（每股仙令吉）	4.83	4.77
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用於計算每股基本盈利的普通股加權平均數	16,351,632	15,666,591

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8. EARNINGS PER SHARE (Continued)

8. 每股盈利(續)

		Six months ended 30 November 截至十一月三十日止六個月	
		2025 二零二五年 (Unaudited) (未經審核)	2024 二零二四年 (Unaudited) (未經審核)
Discontinued operations	已終止經營業務		
Loss for the purpose of calculating basic earnings per share: loss for the period attributable to the owners of the Company (RM cent per share)	用於計算每股基 本盈利的虧損： 本公司擁有人 應佔期內虧損 (每股仙令吉)	—	(0.16)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用於計算每股基 本盈利的普通 股加權平均數	16,351,632	15,666,591

No diluted earnings per share information has been presented for the six months ended 30 November 2024 and 2025 as the Company has no potential ordinary shares outstanding during both periods.

由於截至二零二四年及二零二五年十一月三十日止六個月本公司均無發行在外的潛在普通股，故並無就該兩個期間呈列每股攤薄盈利的資料。

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9. DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended 30 November 2025 (six months ended 30 November 2024: Nil).

9. 股息

截至二零二五年十一月三十日止六個月，董事會並無建議派付股息（截至二零二四年十一月三十日止六個月：無）。

10. RECEIVABLES, DEPOSITS AND PREPAYMENT

10. 應收款項、按金及預付款

		30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
Trade receivables	貿易應收款項	10,565	11,457
Less: Allowance for credit losses	減：信貸虧損撥備	(6,246)	(6,076)
		4,319	5,381
Other receivables and deposits	其他應收款項及按金	3,909	3,821
Less: Allowance for credit losses	減：信貸虧損撥備	(2,390)	(1,952)
Prepayments	預付款	328	807
		6,166	8,057

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10. RECEIVABLES, DEPOSITS AND PREPAYMENT (Continued)

The amounts due from trade debtors are unsecured, do not carry any interest and the credit term granted by the Group ranges from 30 to 120 days.

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date.

10. 應收款項、按金及預付款(續)

應收貿易賬款為無抵押且不計息，而本集團所授予的信貸期介乎30至120日。

以下為按發票日期呈列的貿易應收款項(減信貸虧損撥備)的賬齡分析。

		30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
1–30 days	1 至 30 日	1,348	2,434
31–60 days	31 至 60 日	1,035	1,090
61–90 days	61 至 90 日	728	682
91–120 days	91 至 120 日	445	195
More than 120 days	120 日以上	763	980
		4,319	5,381

**11. AMOUNTS OWING FROM
ULTIMATE HOLDING
COMPANY AND A
SHAREHOLDER**

The amount owing from the ultimate holding company is non-trade nature, unsecured, interest free and repayable on demand.

The amount owing from a shareholder is non-trade nature, unsecured, interest free and repayable on demand.

**11. 應收最終控股公司及
股東款項**

應收最終控股公司款項為非貿易性質、無抵押、免息及須按要求償還。

應收股東款項為非貿易性質、無抵押、免息及須按要求償還。

12. SHORT TERM BANK DEPOSITS

Short-term bank deposits of the Group have an average maturity ranging from 1 to 3 months. The average interest rates of deposits of the Group are ranging from 3.65% to 3.80% and ranging from 3.20% to 3.49% per annum as at 31 May 2025 and 30 November 2025 respectively. Included in the short-term bank deposits are amounts totaling RM1,176,000 and RM1,203,000 that have been pledged to secure general banking facilities granted to the Group as at 31 May 2025 and 30 November 2025 respectively.

12. 短期銀行存款

本集團短期銀行存款平均到期期限介乎1至3個月。於二零二五年五月三十一日及二零二五年十一月三十日，本集團存款之平均年利率分別介乎3.65%至3.80%及3.20%至3.49%。短期銀行存款包括分別於二零二五年五月三十一日及二零二五年十一月三十日質押以為授予本集團之一般銀行融資提供擔保之總金額1,176,000令吉及1,203,000令吉。

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13. PAYABLES AND ACCRUED CHARGES

13. 應付款項及應計費用

		30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
Trade payables	貿易應付款項	4,110	2,876
Accrued charges	應計費用	3,174	4,051
Other payables	其他應付款項	1,196	2,555
Contract liabilities	合約負債	1,621	1,798
		10,101	11,280

The following is an aged analysis of trade payables presented based on the invoice dates.

以下為按發票日期呈列的貿易應付款項的賬齡分析。

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For the six months ended 30 November 2025 截至二零二五年十一月三十日止六個月

13. PAYABLES AND ACCRUED CHARGES (Continued)

13. 應付款項及應計費用 (續)

		30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
1–30 days	1 至 30 日	1,540	991
31–60 days	31 至 60 日	1,220	818
61–90 days	61 至 90 日	1,009	771
91–120 days	91 至 120 日	339	294
Over 120 days	120 日以上	2	2
		4,110	2,876

The average credit period on purchases of goods is 30 to 75 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購貨的平均信貸期為30至75日。本集團設有財務風險管理政策以確保所有應付款項均在信貸期限內結清。

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14. SHARE CAPITAL

14. 股本

		Number of shares 股份數目 '000 千股	Par value 每股面值 HK\$ 港元	Share capital 股本 HK\$'000 千港元 RM'000 千令吉	
Authorised:	法定：				
At 31 May 2025,	於二零二五年				
1 June 2025 and	五月三十一日、				
30 November 2025	二零二五年				
	六月一日及				
	二零二五年				
	十一月三十日	125,000	0.8	100,000	
Issued and fully paid:	已發行及繳足：				
At 31 May 2025,	於二零二五年				
1 June 2025 and	五月三十一日、				
30 November 2025	二零二五年				
	六月一日及				
	二零二五年				
	十一月三十日	16,352	0.8	13,081	7,265

All ordinary shares issued during the period rank pari passu with the then existing ordinary shares in all aspects.

本期間發行的所有普通股在各方面均與當時現有普通股享有同等地位。

Pursuant to the written resolutions passed by the shareholders of the Company on 27 June 2017, the Company has conditionally adopted a share option scheme. No option was granted as at the date of this report.

根據本公司股東於二零一七年六月二十七日通過的書面決議案，本公司已有條件採納一項購股權計劃。於本報告日期，概無授出任何購股權。

15. EVENT AFTER REPORTING PERIOD

On 3 December 2025 (after trading hours), the Company entered into the subscription agreement with Mr. Choy Sheung Ki Gary (the “**Subscriber**”). The Company would allot and issue and the Subscriber would subscribe for, an aggregate of 216,000 subscription shares (the “**Subscription Shares**”) at the subscription price of HK\$19.93 each (the “**Subscription Price**”) (the “**Subscription**”). The gross proceeds would be approximately HK\$4,304,880. The net proceeds of the Subscription (after deducting related professional fees and related expenses) were expected to be approximately HK\$4,239,880 and net Subscription Price per Subscription Share will be approximately HK\$19.63. The Company intends to use the net proceeds from the Subscription as general working capital. The Subscription was completed on 11 December 2025. Details of which may refer to the Company’s announcement dated 3 December 2025 and 11 December 2025.

15. 報告期後事項

於二零二五年十二月三日（交易時段後），本公司與蔡尚圻先生（「**認購人**」）訂立認購協議。本公司將按每股19.93港元之認購價（「**認購價**」）配發及發行，而認購人將認購合共216,000股認購股份（「**認購股份**」）（「**認購事項**」）。所得款項總額將約為4,304,880港元。認購事項之所得款項淨額（經扣除相關專業費用及相關開支後）預期將約為4,239,880港元，而每股認購股份之認購價淨額將約為19.63港元。本公司擬將認購事項之所得款項淨額用作一般營運資金。認購事項已於二零二五年十二月十一日完成。詳情可參閱本公司日期為二零二五年十二月三日及二零二五年十二月十一日之公佈。

15. EVENT AFTER REPORTING PERIOD (Continued)

On 28 December 2025, Wanshun Technology Industrial Group Limited (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd.* (深圳萬順叫車雲信息技術有限公司) (the “**Target Company**”) and Gallant Empire Limited (the “**Purchaser**”), a directly wholly-owned by the Company entered into sales and purchase agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor for the total consideration of HK\$34 million, which shall be settled by issuing of promissory note(s). Details of which may refer to the Company’s announcement dated 28 December 2025.

Except for disclosed above, there are no significant events which have taken place subsequent to 30 November 2025.

15. 報告期後事項(續)

於二零二五年十二月二十八日，Wanshun Technology Industrial Group Limited (「**賣方**」)、深圳萬順叫車雲信息技術有限公司 (「**目標公司**」) 及 Gallant Empire Limited (「**買方**」，由本公司直接全資擁有) 訂立買賣協議，據此，買方同意購買而賣方同意出售由賣方合法及實益擁有的目標公司註冊資本的1%，總代價為34百萬港元，將透過發行承兌票據之方式結算。詳情可參閱本公司日期為二零二五年十二月二十八日之公佈。

除上文披露者外，於二零二五年十一月三十日後並無發生重大事項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

BUSINESS REVIEW AND OUTLOOK

The Group manufactures and sells precast concrete telecommunication junction boxes and precast concrete electrical junction boxes under the brand of “Target” in Malaysia (the “**Manufacturing and Trading Business**”). The Group’s precast concrete junction boxes are used in (i) telecommunication and electrical infrastructures upgrade and expansion works; and (ii) construction projects in Malaysia. They are buried underground to deter tampering and are used to house and protect a junction with telecommunication and electrical utility connection and distribution access points from weather, changing elevation underground and provide easy access for maintenance.

The Group has been a registered supplier or approved supplier of various notable telecommunication companies such as Celcom Axiata Berhad (“**Celcom**”) and Telekom Malaysia (“**Telekom**”) since 2008 and the registered supplier of Tenaga National Bhd. (“**TNB**”), the only electric utility company in Malaysia since 2012. Hence, the Group’s precast concrete junction boxes can be used in infrastructure or construction projects involving telecommunication companies and TNB.

業務回顧及展望

本集團於馬來西亞製造及銷售「Target」品牌的預製混凝土電信接線盒及預製混凝土電力接線盒（「**製造及貿易業務**」）。本集團的預製混凝土接線盒用於馬來西亞的(i)電信及電力基建升級及擴建工程；及(ii)建築項目。該等接線盒埋藏於地下以防止損害，以及用作放置及保護與電信及電力設施連接的接線點以及分佈式接入點，免受天氣及地下標高轉變的影響，並提供通道方便維修。

本集團自二零零八年起為多家知名電信公司（如Celcom Axiata Berhad（「**Celcom**」）及Telekom Malaysia（「**Telekom**」）的註冊供應商或認可供應商，以及自二零一二年起為Tenaga National Bhd.（「**TNB**」，馬來西亞唯一的電力公用事業公司）的註冊供應商。因此，本集團的預製混凝土接線盒可用於涉及電信公司及TNB的基建或建築項目。

BUSINESS REVIEW AND OUTLOOK
(Continued)

業務回顧及展望(續)

For the six months ended 30 November 2025, the revenue of the Group increased by approximately 22.01%, the increase is mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junction boxes business which was mainly due to more tailor made concrete junction boxes was sold during the period.

The Board always strives to improve Group's business operations and financial position by proactively seeking potential investment opportunities that would diversify the Group's existing portfolio and broaden its source of income, and enhance value to the shareholders.

截至二零二五年十一月三十日止六個月，本集團的收入增加約22.01%，該增加主要由於預製混凝土接線盒製造及貿易業務收入增加，主要由於期內售出更多訂製預製混凝土接線盒所致。

董事會一直努力為改善本集團的業務運營和財務狀況，積極尋求潛在投資機會，使本集團現有業務組合多樣化，拓寬收入來源並提高對股東的價值。

FINANCIAL REVIEW

Revenue

The revenue increased from approximately RM15.5 million for the six months ended 30 November 2025 to approximately RM18.9 million for the six months ended 30 November 2024, representing an increase of approximately 22.01%. Such increase was mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junction boxes business which was mainly due to more tailor made concrete junction boxes was sold during the period.

For the manufacturing and trading of precast concrete junction boxes business, the revenue increased by approximately 21.40%, from approximately RM14.5 million for the period ended 30 November 2024 to approximately RM17.6 million for the period ended 30 November 2025. It represents the demand for precast concrete junction boxes is strong and stable in Malaysia.

財務回顧

收入

收入由截至二零二四年十一月三十日止六個月約15.5百萬令吉增加至截至二零二五年十一月三十日止六個月約18.9百萬令吉，增加約22.01%。有關增加乃主要由於預製混凝土接線盒製造及貿易業務收入增加，主要由於期內售出更多訂製預製混凝土接線盒所致。

就預製混凝土接線盒的製造及貿易業務而言，收入由截至二零二四年十一月三十日止期間的約14.5百萬令吉增加約21.40%至截至二零二五年十一月三十日止期間的約17.6百萬令吉，反映馬來西亞對預製混凝土接線盒的需求強勁而穩定。

FINANCIAL REVIEW (Continued)

Revenue (Continued)

For the trading of accessories and pipes and the provision of mobile crane rental and ancillary services business, the revenue increased by approximately 24.00%, from approximately RM979,000 for the period ended 30 November 2024 to approximately RM1.2 million for the period ended 30 November 2025. The increase was mainly leveraged by more tailor made concrete junction boxes was sold during the period.

Following the acquisition of 深圳萬順福智慧生活服務有限公司 in the second half of last year, the Group has stepped into e-commerce platform business and contributed approximately RM70,000 in revenue during the period.

財務回顧(續)

收入(續)

就配件及管道貿易以及提供移動式起重機租賃及配套服務業務而言，收入由截至二零二四年十一月三十日止期間的約979,000令吉增加約24.00%至截至二零二五年十一月三十日止期間的約1.2百萬令吉。有關增加乃主要受到期內售出更多訂製預製混凝土接線盒所帶動。

本集團於去年下半年收購深圳萬順福智慧生活服務有限公司後，已涉足電子商務平台業務，並於期內產生收入約70,000令吉。

FINANCIAL REVIEW (Continued)

Cost of sales and Gross Profit

Costs of sales mainly consists of (i) cost of raw materials and trading products; (ii) manufacturing overheads; (iii) direct labour and (iv) crane hiring costs. The cost of sales increased from approximately RM11,183,000 for the six months ended 30 November 2024 to approximately RM13,459,000 for the six months ended 30 November 2025, increase of approximately 20.35%. Such change was in line with increase of sales.

The Gross Profit increased from approximately RM4.3 million for the six months ended 30 November 2024 to approximately RM5.4 million for the six months ended 30 November 2025.

Administrative expenses

Administrative expenses of the Group slightly increased by approximately RM194,000 or 7.71% from approximately RM2,516,000 for the six months ended 30 November 2024 to approximately RM2,710,000 for the six months ended 30 November 2025.

The Group's administrative expenses mainly consisted of salaries, welfare and other benefits, rent and rates, general office expenses, depreciation and professional service fees. The decrease was mainly attributable to tighter control on expenses.

財務回顧(續)

銷售成本及毛利

銷售成本主要包括(i)原材料及貿易產品成本；(ii)製造費用；(iii)直接勞動及(iv)起重機租用成本。銷售成本由截至二零二四年十一月三十日止六個月約11,183,000令吉增加至截至二零二五年十一月三十日止六個月約13,459,000令吉，增幅約20.35%，有關變動符合銷售增加。

毛利由截至二零二四年十一月三十日止六個月約4.3百萬令吉增加至截至二零二五年十一月三十日止六個月約5.4百萬令吉。

行政開支

本集團的行政開支由截至二零二四年十一月三十日止六個月約2,516,000令吉輕微增加約194,000令吉或7.71%至截至二零二五年十一月三十日止六個月約2,710,000令吉。

本集團的行政開支主要包括薪金、福利及其他福利、租金及差餉、一般辦公室開支、折舊及專業服務費。該減少乃主要由於嚴格控制開支。

FINANCIAL REVIEW (Continued)**Selling and distribution expenses**

Selling and distribution expenses of the Group increased by approximately 34.93% from approximately RM899,000 for the six months ended 30 November 2024 to approximately RM1.2 million for the six months ended 30 November 2025.

The Group's selling and distribution expenses mainly consisted of salaries, welfare and other benefits for sales and marketing staff and travelling and entertainment expenses.

Profit for the period

The Group recorded a net profit of approximately RM789,000 for the six months ended 30 November 2025 due to the management is focussing on precast junction boxes with higher profit margin and ongoing control in expense.

SIGNIFICANT INVESTMENTS HELD

During the six months ended 30 November 2025, the Company did not have any significant investments held.

財務回顧(續)**銷售及分銷開支**

本集團的銷售及分銷開支由截至二零二四年十一月三十日止六個月約899,000令吉增加約34.93%至截至二零二五年十一月三十日止六個月約1.2百萬令吉。

本集團銷售及分銷開支主要包括銷售及市場推廣員工的薪金、福利及其他福利以及差旅及娛樂開支。

期內溢利

本集團於截至二零二五年十一月三十日止六個月錄得淨溢利約789,000令吉，乃由於管理層專注於利潤率較高的預製接線盒及持續控制開支。

持有重大投資

截至二零二五年十一月三十日止六個月，本公司概無持有任何重大投資。

MATERIAL ACQUISITIONS AND DISPOSALS, AND PLAN FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

There were no material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 November 2025.

On 28 December 2025, Wanshun Technology Industrial Group Limited (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd.* (深圳萬順叫車雲信息技術有限公司) (the “**Target Company**”) and Gallant Empire Limited (the “**Purchaser**”), a directly wholly-owned by the Company entered into sales and purchase agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor for the total consideration of HK\$34 million, which shall be settled by issuing of promissory note(s). Details of which may refer to the Company’s announcement dated 28 December 2025.

Except for disclosed above, there is no specific future plan for material investments or capital assets as at the date of this report.

重大收購及出售、以及重大投資或資本資產計劃

截至二零二五年十一月三十日止六個月，概無發生任何附屬公司及聯營公司的重大收購及出售事項。

於二零二五年十二月二十八日，Wanshun Technology Industrial Group Limited (「**賣方**」)、深圳萬順叫車雲信息技術有限公司 (「**目標公司**」) 及 Gallant Empire Limited (「**買方**」，由本公司直接全資擁有) 訂立買賣協議，據此，買方同意購買而賣方同意出售由賣方合法及實益擁有的目標公司註冊資本的1%，總代價為34百萬港元，將透過發行承兌票據之方式結算。詳情可參閱本公司日期為二零二五年十二月二十八日之公佈。

除上文所披露者外，於本報告日期，概無重大投資或資本資產的特定未來計劃。

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 November 2025, the Group's cash and cash equivalents was approximately RM23.4 million (31 May 2025: approximately RM22.7 million).

As at 30 November 2025, the Group's had no borrowings (31 May 2025: Nil).

As at 30 November 2025, the Group's current ratio was 3.03 (31 May 2025: 2.71), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was nil as at 30 November 2025 (31 May 2025: Nil), which is calculated based on the total interest-bearing loans divided by the total equity.

The Directors consider that the Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

流動資金及財務資源

於二零二五年十一月三十日，本集團的現金及現金等價物約為23.4百萬令吉（二零二五年五月三十一日：約22.7百萬令吉）。

於二零二五年十一月三十日，本集團並無借款（二零二五年五月三十一日：無）。

於二零二五年十一月三十日，本集團的流動比率為3.03倍（二零二五年五月三十一日：2.71倍），乃按總流動資產除以總流動負債計算。於二零二五年十一月三十日，資本負債比率為零（二零二五年五月三十一日：零），乃按總計息貸款除以權益總額計算。

董事認為本集團的財務狀況穩健強大。憑藉可用的銀行結餘以及現金及銀行信貸融資，本集團擁有充裕的流動資金以滿足其資金需要。

CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the period. The share capital of the Group only comprises of ordinary shares.

As at 30 November 2025, the share capital and equity attributable to owners of equity of the Company amounted to approximately RM7.3 million and approximately RM30.1 million respectively (31 May 2025: RM7.3 million and RM29.4 million respectively).

CAPITAL COMMITMENTS

Capital commitment contracted for at the end of the reporting period but not yet incurred is as follow:

資本架構

本集團的資本架構於期內概無變動。本集團的股本僅以普通股組成。

於二零二五年十一月三十日，本公司股權擁有人應佔股本及股權分別約為7.3百萬令吉及約30.1百萬令吉（二零二五年五月三十一日：分別為7.3百萬令吉及29.4百萬令吉）。

資本承擔

於報告期末已訂立但尚未產生的資本承擔如下：

	30 November 2025 二零二五年 十一月三十日 RM'000 千令吉 (Unaudited) (未經審核)	31 May 2025 二零二五年 五月三十一日 RM'000 千令吉 (Audited) (經審核)
Property, plant and equipment 物業、廠房及設備	465	542

Except for disclosed above, the Group had no capital commitments in respect of the acquisition of property, plant and equipment as at 30 November 2025 and 31 May 2025.

除上文所披露者外，就收購物業、廠房及設備而言，本集團於二零二五年十一月三十日及二零二五年五月三十一日並無資本承擔。

CHANGE IN BOARD LOT SIZE

The change in board lots size for trading in the of the ordinary shares in the Company for trading on The Stock Exchange of Hong Kong Limited, from 1,200 ordinary shares to 400 ordinary shares, became effective on 20 August 2025.

Further details of the change in board lot size were set out in the announcement of the Company dated 1 August 2025.

USE OF PROCEEDS FROM THE SHARE OFFER

The shares of the Company were listed on 19 July 2017 (the “**Listing Date**”) on the GEM by a way of a public offer and placing (collectively as the “**Share Offer**”) (the “**Listing**”). The net proceeds received by the Company from the Share Offer, after deducting underwriting fees and other expenses, were approximately HK\$29.6 million.

The net proceeds from the Listing have not been fully utilized up to the six months ended 30 November 2025 in accordance with the expected timeline set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

變更每手買賣單位

於香港聯合交易所有限公司買賣之本公司普通股每手買賣單位由1,200股普通股變更為400股普通股，自二零二五年八月二十日生效。

有關變更每手買賣單位的進一步詳情載於本公司日期為二零二五年八月一日的公佈。

股份發售的所得款項用途

本公司股份於二零一七年七月十九日（「**上市日期**」）以公開發售及配售形式（統稱「**股份發售**」）於GEM上市（「**上市**」）。本公司自股份發售所收取的所得款項淨額（經扣除包銷費及其他開支）約為29.6百萬港元。

直至截至二零二五年十一月三十日止六個月，上市所得款項淨額並未根據招股章程「未來計劃及所得款項用途」一節所載預期時間表獲悉數動用。

USE OF PROCEEDS FROM THE SHARE OFFER (Continued)

As disclosed in the Company's announcement dated on 2 May 2024, having considered the latest business environment and development needs of the Group, the Board had resolved to change the use of unutilised proceeds from the Share Offer.

The following table sets out the reallocated unutilised proceeds and the utilised amount up to the six months ended 30 November 2025.

股份發售的所得款項用途 (續)

誠如本公司日期為二零二四年五月二日的公佈所披露，經考慮本集團的最新業務環境及發展需要，董事會已議決更改股份發售未動用所得款項的用途。

下表載列重新分配的未動用所得款項及直至截至二零二五年十一月三十日止六個月的已動用金額。

	Reallocated unutilised proceeds as at 2 May 2024	Utilised amount after reallocation up to 31 May 2025	Unutilised proceeds up to 31 May 2025	Actual use of net proceeds from 1 June 2025 to 30 November 2025	Reallocated unutilised proceeds as at 30 November 2025	Expected timeframe for intended use
	於二零二四年 五月二日 重新分配的 未動用 所得款項 HK\$ million 百萬港元	直至 二零二五年 五月三十一日 重新分配後的 已動用金額 HK\$ million 百萬港元	直至 二零二五年 五月三十一日 已動用 所得款項 HK\$ million 百萬港元	自二零二五年 六月一日至 二零二五年 十一月三十日 所得款項淨額 的實際用途 HK\$ million 百萬港元	於二零二五年 十一月三十日 重新分配的 未動用 所得款項	擬定用途的 預期時間表
A. Recruiting new staffs (note b) 招聘新員工 (附註 b)	0.8	(0.8)	-	-	-	
B. Acquisition of land use right of the Land in Selangor, Malaysia 收購馬來西亞雪蘭莪的該地塊 的土地使用權	13.2	(13.2)	-	-	-	
C. Development cost of self-used factory on the Land and purchase of equipment and fixtures 該地塊自用廠房的開發成本 及購買設備及機械	3.4	-	3.4	(0.1)	3.3	Intended to use up the remaining fund by 31 May 2026 擬於二零二六年 五月三十一日前 悉數動用餘下資金
	17.4	(14.0)	3.4	(0.1)	3.3	

USE OF PROCEEDS FROM THE SHARE OFFER (Continued)

Notes:

- (a) The unused Listing proceeds have been deposited in licensed banks in Malaysia and Hong Kong.
- (b) The funds have been utilized on recruiting and salaries of staffs for the expansion and renovation works.

As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds.

USE OF PROCEEDS FROM THE SHARE SUBSCRIPTION

On 27 June 2024 (after trading hours), the Company entered into a subscription agreement with the subscriber, pursuant to which the Company would allot and issue an aggregate of 27,252,720 subscription shares (the “**Subscription Shares**”) at the subscription price of HK\$0.08 per share (the “**Share Subscription**”). The net proceeds from the subscription after deducting related professional fees and related expenses approximately HK\$2,100,000 (equivalent to approximately RM1,192,000). The subscription was completed on 17 July 2024. The Subscription Shares were issued and allotted under the General Mandate. The following table sets out the unutilised net proceeds from share subscription up to the six months ended 30 November 2025.

股份發售的所得款項用途 (續)

附註：

- (a) 未動用的上市所得款項乃存置於馬來西亞及香港的持牌銀行。
- (b) 有關資金已就擴建及翻修工程有關的員工招聘及薪資結付而動用。

於本報告日期，董事預計有關所得款項用途的計劃不會出現任何變動。

股份認購的所得款項用途

於二零二四年六月二十七日（交易時段後），本公司與認購人訂立認購協議，據此，本公司將按每股0.08港元的認購價配發及發行合共27,252,720股認購股份（「**認購股份**」）（「**股份認購**」）。認購事項之所得款項淨額（經扣除相關專業費用及相關開支後）約為2,100,000港元（相當於約1,192,000令吉）。認購事項已於二零二四年七月十七日完成。認購股份乃根據一般授權發行及配發。下表列示截至二零二五年十一月三十日止六個月期間，尚未動用的股份認購所得款項淨額。

USE OF PROCEEDS FROM THE
SHARE SUBSCRIPTION (Continued)

股份認購的所得款項用途
(續)

	Planned use of net proceeds from the Share Subscription	Actual use of net proceeds up to 31 May 2025	Actual net proceeds from 1 June 2025 to 30 November 2025 自二零二五年 六月一日 至二零二五年 十一月三十日	Unutilised proceeds as at 30 November 2025 於二零二五年 十一月三十日
	股份認購的 所得款項淨額 的計劃用途 HK\$ million 百萬港元	股份認購的 所得款項淨額 的實際用途 HK\$ million 百萬港元	所得款項淨額 的實際用途 HK\$ million 百萬港元	的未動用 所得款項 HK\$ million 百萬港元
Repayment of promissory note	2.1	1.5m	–	0.6m

Notes:

附註：

- The remaining funds have been deposited in licensed banks in Malaysia and Hong Kong.
- The Group intended to use up the remaining fund by 31 May 2026.

- 餘下資金已存放於馬來西亞及香港持牌銀行。
- 本集團擬於二零二六年五月三十一日前悉數動用餘下資金。

As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds.

於本報告日期，董事預計有關所得款項用途的計劃將不會出現任何變動。

**DIRECTORS' AND CHIEF
EXECUTIVES' INTERESTS
AND SHORT POSITIONS IN
SHARES, UNDERLYING SHARES
AND DEBENTURES OF THE
COMPANY AND ASSOCIATED
CORPORATIONS**

**董事及主要行政人員於本
公司及相聯法團的股份、
相關股份及債權證的權益
及淡倉**

As at 30 November 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

於二零二五年十一月三十日，董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條須予存置的登記冊的權益及淡倉，或(iii)根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準須另行知會本公司及聯交所的權益及淡倉如下：

**DIRECTORS' AND CHIEF
EXECUTIVES' INTERESTS
AND SHORT POSITIONS IN
SHARES, UNDERLYING SHARES
AND DEBENTURES OF THE
COMPANY AND ASSOCIATED
CORPORATIONS (Continued)**

董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉(續)

Ordinary Shares of the Company

本公司普通股

Name of Director/ Chief Executive	Capacity/ Nature of Interest	Number of shares interested	Percentage of the Company's issued share capital as at 30 November 2024 佔本公司於 二零二四年 十一月三十日 已發行 股本百分比
董事／主要行政人員姓名	身份／權益性質	擁有權益的 股份數目	
Mr. Loh Swee Keong (Note 2)	Interest in controlled corporation	2,911,200 (L) (Note 1)	17.80%
Loh Swee Keong 先生(附註2)	受控制法團權益	(附註1)	

Notes:

附註：

- (1) The letter (L) denotes the person's long interest in the Shares.
- (2) Merchant World Investments Limited is a company incorporated in the BVI and is wholly-owned by Mr. Loh Swee Keong. Mr. Loh Swee Keong is deemed to be interested in all the Shares held by Merchant World Investments Limited for the purpose of the SFO.

- (1) 英文字母(L)表示該人士於股份的好倉。
- (2) Merchant World Investments Limited為一家於英屬處女群島註冊成立的公司，並由Loh Swee Keong先生全資擁有。根據證券及期貨條例，Loh Swee Keong先生被視為於由Merchant World Investments Limited持有的全部股份中擁有權益。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS (Continued)

董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉(續)

Ordinary Shares of the Company (Continued)

本公司普通股(續)

Save for disclosed above, as at 30 November 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provision of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

除上文所披露者外，於二零二五年十一月三十日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條須予存置的登記冊的任何權益或淡倉，或(iii)根據GEM上市規則第5.46條所述本公司董事進行交易的規定標準須另行知會本公司及聯交所的任何權益或淡倉。

**SUBSTANTIAL SHAREHOLDERS'
AND OTHER PERSONS' INTERESTS
AND SHORT POSITIONS IN THE
SHARES AND UNDERLYING
SHARES OF THE COMPANY**

As at 30 November 2025, the following persons (other than the Directors or chief executive of the Company) had interests and/or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於二零二五年十一月三十日，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益及／或淡倉，或須記錄於根據證券及期貨條例第336條須予存置的登記冊的權益及／或淡倉如下：

**SUBSTANTIAL SHAREHOLDERS'
AND OTHER PERSONS' INTERESTS
AND SHORT POSITIONS IN THE
SHARES AND UNDERLYING
SHARES OF THE COMPANY**

(Continued)

主要股東及其他人士於本公司股份及相關股份的權益及淡倉(續)

Ordinary Shares of the Company

本公司普通股

Name	Capacity/ Nature of Interest	Number of shares interested	Percentage of the Company's issued share capital as at 30 November 2025 佔本公司於 二零二五年 十一月三十日 已發行 股本百分比
姓名／名稱	身份／權益性質	擁有權益的 股份數目	
Merchant World Investments Limited	Beneficial owner	2,911,200 (L) (Note 1)	17.80%
Merchant World Investments Limited	實益擁有人	(附註1)	
Ms. Woon Sow Sum (Note 2) Woon Sow Sum 女士(附註2)	Interest of spouse 配偶權益	2,911,200 (L)	17.80%
Mr. Lei Meng Fong 李明峰先生	Beneficial owner 實益擁有人	2,725,272 (L)	16.67%
Greater Elite Holdings Limited Greater Elite Holdings Limited	Beneficial owner 實益擁有人	1,961,010 (L)	11.99%

**SUBSTANTIAL SHAREHOLDERS'
AND OTHER PERSONS' INTERESTS
AND SHORT POSITIONS IN THE
SHARES AND UNDERLYING
SHARES OF THE COMPANY**

(Continued)

主要股東及其他人士於本公司股份及相關股份的權益及淡倉 (續)

Ordinary Shares of the Company
(Continued)

本公司普通股 (續)

Name	Capacity/ Nature of Interest	Number of shares interested	Percentage of the Company's issued share capital as at 30 November 2025 佔本公司於 二零二五年 十一月三十日 已發行 股本百分比
姓名／名稱	身份／權益性質	擁有權益的 股份數目	
Mr. Law Fung Yuen Paul (Note 3) 羅鳳原先生 (附註 3)	Interest in controlled corporation 受控制法團權益	1,961,010 (L)	11.99%
Ms. Cheng Lai Wah Christina (Note 4) 鄭麗華女士 (附註 4)	Interest of spouse 配偶權益	1,961,010 (L)	11.99%
Mr. Choy Sheung Ki Gary 蔡尚圻先生	Beneficial owner 實益擁有人	1,032,300 (L)	6.31%

**SUBSTANTIAL SHAREHOLDERS'
AND OTHER PERSONS' INTERESTS
AND SHORT POSITIONS IN THE
SHARES AND UNDERLYING
SHARES OF THE COMPANY**

(Continued)

主要股東及其他人士於本公司股份及相關股份的權益及淡倉 (續)

**Ordinary Shares of the Company
(Continued)**

本公司普通股 (續)

Notes:

附註：

- (1) The letter (L) denotes the person's long interest in the Shares.
- (2) Ms. Woon Sow Sum is the spouse of Mr. Loh Swee Keong and is deemed, or taken to be interested in all Shares in which Mr. Loh Swee Keong has interest under the SFO.
- (3) Greater Elite Holdings Limited is a company incorporated in the BVI and is wholly-owned by Mr. Law Fung Yuen Paul. Mr. Law Fung Yuen Paul is deemed to be interested in all the Shares held by Greater Elite Holdings Limited for the purpose of the SFO.
- (4) Ms. Cheng Lai Wah Christina is the spouse of Mr. Law Fung Yuen Paul and is deemed, or taken to be interested in all Shares in which Mr. Law Fung Yuen Paul has interest under the SFO.

- (1) 英文字母(L)表示該人士於股份的好倉。
- (2) Woon Sow Sum女士為Loh Swee Keong先生的配偶，根據證券及期貨條例，彼被視為或當作於Loh Swee Keong先生擁有權益的所有股份中擁有權益。
- (3) Greater Elite Holdings Limited為一家於英屬處女群島註冊成立的公司，並由羅鳳原先生全資擁有。根據證券及期貨條例，羅鳳原先生被視為於由Greater Elite Holdings Limited持有的所有股份中擁有權益。
- (4) 鄭麗華女士為羅鳳原先生的配偶，根據證券及期貨條例，彼被視為或當作於羅鳳原先生擁有權益的所有股份中擁有權益。

**SUBSTANTIAL SHAREHOLDERS'
AND OTHER PERSONS' INTERESTS
AND SHORT POSITIONS IN THE
SHARES AND UNDERLYING
SHARES OF THE COMPANY**

(Continued)

Ordinary Shares of the Company
(Continued)

Save for disclosed above, as at 30 November 2025, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

CHARGE ON GROUP'S ASSETS

As at 30 November 2025, the Group had bank deposits pledged with banks totalling approximately RM1.2 million (31 May 2025: approximately RM1.2 million). These deposits were pledged to secure general banking facilities granted to the Group.

主要股東及其他人士於本公司股份及相關股份的權益及淡倉(續)

本公司普通股(續)

除上文所披露者外，於二零二五年十一月三十日，本公司並無得悉任何人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉。

本集團資產之抵押

於二零二五年十一月三十日，本集團抵押予銀行的銀行存款合共約為1.2百萬令吉（二零二五年五月三十一日：約1.2百萬令吉）。該等存款乃抵押用作為授予本集團的一般銀行融資提供擔保。

FOREIGN CURRENCY RISK

Since a substantial amount of income and profit of our Group is denominated in Malaysian Ringgit (“RM”), any fluctuations in the value of RM may adversely affect the amount of dividends, if any, payable to the Shares in HK\$ to our Shareholders. Furthermore, fluctuations in the RM’s value against other currencies will create foreign currency translation gains or losses and may have an adverse effect on our Group’s business, financial condition and results of operations. Any imposition, variation or removal of foreign exchange controls may adversely affect the value, translated or converted into HK\$, of our Group’s net assets, earnings or any declared dividends. Consequently, this may adversely affect our Group’s ability to pay dividends or satisfy other foreign exchange requirements. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arises.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 November 2025 (six months ended 30 November 2024: Nil).

外幣風險

由於本集團大部分收入及溢利均以馬來西亞令吉（「令吉」）計值，令吉價值的任何波動均可能會對以港元計值股份有關的應付股東股息（如有）的金額造成不利影響。再者，令吉兌其他貨幣的價值波動將會產生外匯匯兌收益或虧損，並可能會對本集團的業務、財務狀況及經營業績造成不利影響。任何外匯管制的實施、變動或解除均可能會對將本集團的淨資產、盈利或任何已宣派股息換算或兌換成港元的價值造成不利影響。因此，這可能會對本集團派付股息或滿足其他外匯需求的能力造成不利影響。本集團將密切監控其外幣風險，並於需要時考慮對沖重大外幣風險。

中期股息

截至二零二五年十一月三十日止六個月，董事會並無建議派付中期股息（截至二零二四年十一月三十日止六個月：無）。

EMPLOYEES AND REMUNERATION POLICIES

As at 30 November 2025, we had 75 employees who are located in Malaysia, PRC and the Hong Kong Special Administrative Region. The Group generally recruits employees from the open market by placing recruitment advertisements. The Group entered into individual labour contracts with each of the employees in accordance with the applicable labour laws of Malaysia, PRC and the Hong Kong Special Administrative Region, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package that the Group offers to the employees includes salary, bonuses, allowances and medical benefits. In general, the Group determines an employee's salary based on each employee's qualifications, experience and capability and the prevailing market remuneration rate. The Group has designed and implemented a review system to assess the performance of our employees once a year, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions.

僱員及薪酬政策

於二零二五年十一月三十日，我們有75名僱員在馬來西亞、中國及香港特別行政區。本集團通常透過刊登招聘廣告從公開市場招聘僱員。本集團根據馬來西亞、中國及香港特別行政區的適用勞動法例與每名僱員訂立個別的勞工合約，當中涵蓋工資、僱員福利及終止理由等事宜。本集團向僱員提供的薪酬方案包括薪金、花紅、津貼及醫療福利。一般而言，本集團按照每名僱員的資格、經驗及能力以及當前的市場薪酬水平釐定僱員的薪金。本集團已設計及實施一個審核制度，以就僱員表現每年進行一次評估，此構成我們對薪金調整、花紅及晉升方面所作決定的基準。

PRINCIPAL RISK AND UNCERTAINTIES

Operational risk

The Group's operation is subject to general economic and market risks which may affect the competition and profitability of construction projects. The Group's key risk exposures are summarised as follows:

- (a) Fluctuation in the prices of our major raw materials may have adverse impacts on the Group's financial results;
- (b) The Group's revenue is mainly derived from the manufacturing and sale of precast concrete junction boxes to its customers for infrastructure upgrades and expansion work for construction projects, which are nonrecurrent in nature and there is no guarantee that the customers will place new business purchase orders; and
- (c) The Group's cash flow position may deteriorate owing to a mismatch between the time of receipt of payments from its customers and payments to its suppliers if the Group is unable to manage its cash flow mismatch properly.

For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus of the Group dated 6 July 2017 (the "**Prospectus**").

主要風險及不確定因素

經營風險

本集團的營運涉及可能影響建築項目的競爭及盈利能力的整體經濟及市場風險。本集團面臨的主要風險概述如下：

- (a) 主要原材料價格波動可能對本集團的財務業績造成不利影響；
- (b) 本集團的收入主要來自為客戶就屬於非經常性的基建升級及建築項目的擴張工程製造及銷售預製混凝土接線盒，概不保證客戶將發出新業務採購訂單；及
- (c) 倘本集團未能妥善管理現金流量錯配的情況，本集團的現金流量狀況可能因收到客戶付款與向供應商付款出現時間錯配而惡化。

有關本集團面臨的其他風險及不確定因素，請參閱本集團日期為二零一七年七月六日的招股章程（「招股章程」）「風險因素」一節。

PRINCIPAL RISK AND UNCERTAINTIES (Continued)

Financial risks

As a manufacturer of precast concrete junction boxes, the Group has to purchase raw materials from its suppliers from time to time based on its procurement policy. The Group relies on cash inflow from its customers to meet its payment obligations to our suppliers. The Group's cash inflow is dependent on the prompt settlement of its payments. The Group is exposed to credit risk and liquidity risk.

CONTINGENT LIABILITIES

The Group had no contingent liabilities at the balance sheet date.

主要風險及不確定因素 (續)

財務風險

作為一家預製混凝土接線盒製造商，本集團須根據其採購政策不時向供應商採購原材料。本集團倚賴來自客戶的現金流入以履行向供應商付款的責任。本集團的現金流入取決於迅速結清付款。本集團面臨信貸風險及流動資金風險。

或然負債

本集團於資產負債表結算日概無或然負債。

CORPORATE GOVERNANCE PRACTICES

企業管治常規

Under the code provision A.2.1 of the Corporate Governance Code (the “**CG Code**”), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established.

Mr. Loh Swee Keong (“**Mr. Loh**”) is the chairman of the Board and the chief executive officer of the Company. In view of Mr. Loh has been operating and managing the operating subsidiaries of the Group since 1993, the Board believes that it is in the best interest of the Group to have Mr. Loh taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstances.

Save as disclosed above, for the six months ended 30 November 2025, in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

根據企業管治守則(「**企業管治守則**」)守則條文第A.2.1條，主席及行政總裁的職務應予區分，並不應由同一人士擔任。主席與行政總裁之間職務的分工應予清晰界定。

Loh Swee Keong 先生(「**Loh 先生**」)為本公司董事會主席兼行政總裁。鑒於Loh先生自一九九三年起一直經營及管理本集團的營運附屬公司，故董事會相信，由Loh先生兼任兩個職位以達致有效的管理及業務發展乃符合本集團的最佳利益。因此，董事認為，偏離企業管治守則條文第A.2.1條在該情況下乃屬合適。

除上文所披露者外，截至二零二五年十一月三十日止六個月，董事認為，本集團一直遵守企業管治守則的守則條文。

SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full time and part time), or any member of the Group, including any Executive, Non-executive Directors and Independent Non-executive Directors, advisers, consultants of the Group.

The Company conditionally adopted the Share Option Scheme on 27 June 2017 whereby the Board is authorised, at its absolute discretion and subject to the terms of the Share Option Scheme, to grant options to the Eligible Participants to subscribe for the shares of the Company. The Share Option Scheme will be valid and effective for a period of ten years from the date of the adoption of the Scheme.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the date of the shares of the Company listed on the GEM, being 62,000,000 shares (or such numbers of shares as shall result from a subdivision or a consolidation of such 62,000,000 from time to time) (the “**Scheme Limit**”). Subject to shareholders’ approval in general meeting, the Board may (i) renew this limit at any time to 10% of the shares in issue as at the date of the approval by the shareholders in general meeting; and/or (ii) grant options beyond the Scheme Limit to Eligible Participants specifically identified by the Board.

購股權計劃

購股權計劃旨在吸引及挽留最優秀的人員，以及向本集團全職及兼職僱員或任何成員（包括本集團任何執行董事、非執行董事、獨立非執行董事、顧問及諮詢人）提供額外獎勵。

於二零一七年六月二十七日，本公司有條件採納購股權計劃，據此，董事會獲授權按其絕對酌情權，依照購股權計劃的條款，向合資格參與人士授出可認購本公司股份的購股權。購股權計劃將由採納該計劃當日起計十年期間有效及生效。

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的最高股份數目合共不得超過本公司股份於GEM上市日期後已發行股份總數的10%，即62,000,000股股份（或因不時拆細或合併該62,000,000股股份而產生的有關股份數目）（「**計劃上限**」）。待於股東大會上取得股東批准後，董事會可(i)隨時將此上限更新至於股東在股東大會上批准當日已發行股份的10%；及／或(ii)向董事會特別選定的合資格參與人士授出超過計劃上限的購股權。

SHARE OPTION SCHEME (Continued)

The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the limit being exceeded.

The total number of shares issuable upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Participants in any twelve months period shall not exceed 1% of the shares in issue. Any further grant of options is subject to shareholders' approval in general meeting with such Eligible Participants and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

An offer for the grant must be accepted not less than five business days from the date on which the Option is granted. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an options is HK\$1.

購股權計劃(續)

因根據購股權計劃及本公司任何其他購股權計劃已授出惟尚未行使的所有尚未行使購股權獲行使而可能發行的股份數目，於任何時候不得超過不時已發行股份的30%。倘根據本公司的任何計劃（包括購股權計劃）授出購股權將導致超出上限，則不得授出購股權。

於任何十二個月期間，根據購股權計劃及本公司任何其他購股權計劃向各參與人士授出的購股權獲行使而可予發行的股份總數不得超過已發行股份的1%。任何額外授出購股權須於股東大會上獲股東批准，而有關合資格參與人士及其聯繫人須放棄投票。

購股權可於董事會可能釐定而不得超過授出日期起計十年的期間內，在有關提前終止條文的規限下，隨時根據購股權計劃的條款獲行使。

授出要約必須於授出購股權當日起計不少於五個營業日獲接納。購股權承授人於接納授出購股權的要約時應向本公司支付1港元。

SHARE OPTION SCHEME (Continued)

Pursuant to the Share Option Scheme, the participants may subscribe for the shares of the Company on exercise of an option at the price determined by the Board provided that it shall be at least the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a trading day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the share.

During the six months ended 30 November 2025, other than the share option scheme is set out above, the Company did not enter into the other equity-linked agreement, nor did any other equity-linked agreement exist during the period under review.

As at 30 November 2025, no share option has been granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

購股權計劃(續)

根據購股權計劃，參與人士可按董事會釐定的價格行使購股權認購本公司股份，惟該價格不得低於下列最高者：(i)於授出當日（該日須為交易日）的聯交所每日報價表所列股份的收市價；(ii)於緊接授出日期前五個交易日的聯交所每日報價表所列股份的平均收市價；及(iii)股份面值。

截至二零二五年十一月三十日止六個月，除上述購股權計劃外，本公司並未訂立其他權益相關協議，於回顧期內，亦不存在任何其他權益相關協議。

於二零二五年十一月三十日，本公司並未根據購股權計劃授出、行使、失效或註銷任何購股權。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the six months ended 30 November 2025 and up to the date of this report, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the sections headed "Share Option Scheme" and "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company and associated corporations", at no time during the period was the Company, its or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executives (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

遵守相關法例及規例

於截至二零二五年十一月三十日止六個月及直至本報告日期，本集團一直遵守對其經營有重大影響的相關法例及規例。

董事收購股份或債權證的權利

除於「購股權計劃」一節及「董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉」一節所披露者外，於期內任何時間，本公司、其任何控股公司或其任何附屬公司並無訂立任何安排，致使董事及主要行政人員（包括彼等的配偶及18歲以下的子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、或相關股份或債權證中持有任何權益或淡倉。

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and all Directors confirmed that they have complied with the required standards of dealings regarding securities transactions by the Directors during the six months ended 30 November 2025 to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 November 2025.

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載規定交易準則。本公司亦已向全體董事作出具體查詢，且全體董事已確認彼等於截至二零二五年十一月三十日止六個月及截至本報告日期止一直遵守有關董事進行證券交易的規定交易準則。

購買、出售或贖回上市證券

截至二零二五年十一月三十日止六個月，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

DIRECTOR'S INTEREST OF COMPETING BUSINESS

During the six months ended 30 November 2025, the Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business or any other conflicts of interest which any such person has or may have with the Group.

AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The duties of the Audit Committee are to primarily review the financial statements of the Company and oversee the internal control and risk management procedures of the Company.

董事於競爭業務的權益

截至二零二五年十一月三十日止六個月，董事確認，除本集團經營的業務外，概無控股股東或董事及彼等各自的緊密聯繫人（定義見GEM上市規則）在與本集團業務直接或間接構成或可能構成競爭或任何相關人士已或可能會與本集團構成任何其他利益衝突的任何業務中擁有任何權益。

審核委員會

本集團已成立審核委員會，並遵照GEM上市規則第5.28至5.33條及GEM上市規則附錄15所載的企業管治守則及企業管治報告第C.3段，制定其書面職權範圍。審核委員會的職責主要為審閱本公司的財務報表及監管本公司的內部監控及風險管理程序。

AUDIT COMMITTEE (Continued)

The Audit Committee currently consists of three members namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying. The chairman of the Audit Committee is Mr. Yau Ka Hei.

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 November 2025 and is of the opinion that such statements complied with applicable standards, the GEM Listing Rules and that adequate disclosure had been made.

By Order of the Board

WS-SK Target Group Limited

Loh Swee Keong

Chairman

Hong Kong, 14 January 2026

As at the date of this report, the Board comprises one Executive Director, namely, Mr. Loh Swee Keong; and three Independent Non-executive Directors, namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying.

審核委員會(續)

審核委員會目前由三名成員組成，即邱家禧先生、馬希聖先生及丘嘉榮女士。審核委員會主席為邱家禧先生。

審核委員會已審閱本集團採納的會計原則及政策以及本集團截至二零二五年十一月三十日止六個月的未經審核簡明綜合財務報表，並認為該等報表符合適用準則及GEM上市規則，且已作出足夠披露。

承董事會命

萬順瑞強集團有限公司

主席

Loh Swee Keong

香港，二零二六年一月十四日

於本報告日期，董事會包括一名執行董事Loh Swee Keong先生；及三名獨立非執行董事邱家禧先生、馬希聖先生及丘嘉榮女士。



WS-SK TARGET GROUP LIMITED
萬順瑞強集團有限公司

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in WS-SK Target Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

WS-SK TARGET GROUP LIMITED**萬順瑞強集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 8427)****MAJOR TRANSACTION
IN RELATION TO
THE ACQUISITION OF LAND**

A letter from the Board is set out from pages 4 to 10 of this circular.

A notice convening the EGM to be held at 3 p.m. on Wednesday, 12 August 2026 at Units 5906–12, 59/F, The Centre, 99 Queen's Road Central, Hong Kong is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use by the shareholders at the EGM is enclosed.

Whether or not you are able to attend the EGM, you are advised to read this circular and to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

23 July 2026

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of the GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on the GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms and expressions have the meaning set forth below:

“Acquisition”	the acquisition of the Land by the Purchaser from the Vendor pursuant to the terms and conditions of the SPA
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Balance Deposit”	the sum of RM1,920,000 of which RM720,000 shall be paid to the Purchaser’s solicitors as retention sum to the Director General of Inland Revenue of Malaysia pursuant to Section 21B of the Real Property Gains Tax Act 1976 and RM1,200,000 shall be paid to the Vendor’s solicitors as stakeholders upon the execution of the SPA
“Board”	the board of Directors
“Company”	WS-SK Target Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM of the Stock Exchange (Stock code: 8427)
“Completion”	completion of the Acquisition
“Completion Date”	the date of the Completion, which the balance of the Consideration (i.e RM21,600,000) and the Late Payment Interest (if any) has been fully paid to the Vendor’s solicitors as stakeholders
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Consideration”	the total consideration of RM24,000,000 payable by the Purchaser in relation to the Acquisition
“CP Period”	the period of 90 days from the date of the SPA within which the conditions precedent are to be fulfilled
“Director(s)”	the director(s) of the Company
“Earnest Deposit”	the sum of RM480,000 payable to the Vendor’s solicitors as stakeholders upon the Vendor’s acceptance of the Offer
“EGM”	the extraordinary general meeting of the Company to be convened and held at 3 p.m. on Wednesday, 12 August 2026 at Units 5906–12, 59/F, The Centre, 99 Queen’s Road Central, Hong Kong for the purpose of considering and, if thought fit, approving the Acquisition

DEFINITIONS

“Extended CP Period”	the extension of one month of the CP Period to be automatically granted by the Vendor in the event that the balance of the Consideration or any part thereof is not paid within the CP Period
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) (and in case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Land”	the piece of freehold land located at No. 1894, Jalan Kpb 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor, Malaysia with a total area of approximately 8,093.7 sq.m.
“Late Payment Interest”	the Purchaser shall pay to the Vendor’s solicitors as stakeholders an interest at the rate of 8% per annum on the amount of the balance of the Consideration or such part thereof remaining outstanding commencing from the first day of the Extended CP Period until the date of full payment by the Purchaser
“Latest Practicable Date”	17 July 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Offer”	the legally binding offer dated 5 June 2026 made by the Purchaser to the Vendor in respect of the Acquisition
“percentage ratio(s)”	has the meaning ascribed to it under the GEM Listing Rules
“psf”	per square foot

DEFINITIONS

“Purchaser”	Target Precast Industries Sdn. Bhd., a company limited by shares incorporated in Malaysia and an indirect wholly-owned subsidiary of the Company
“RM”	Malaysian ringgit, the lawful currency of Malaysia
“SPA”	the sale and purchase agreement dated 10 July 2026 entered into among the Purchaser and the Vendor in respect of the Acquisition
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with nominal value of HK\$0.8 each in the capital of the Company
“Shareholder(s)”	holder(s) of the ordinary share(s) of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Kien Heng Hong Ginseng Sdn. Bhd., a company limited by shares incorporated in Malaysia and an Independent Third Party to the Company
“%”	per cent

LETTER FROM THE BOARD

WS-SK TARGET GROUP LIMITED

萬順瑞強集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8427)

Executive Director:

Mr. Loh Swee Keong

Independent Non-executive Directors:

Mr. Yau Ka Hei

Mr. Ma, She Shing Albert

Ms. Yau Ka Ying

Registered Office in the Cayman Islands:

Windward 3,

Regatta Office Park,

P.O. Box 1350,

Grand Cayman KY1-1108,

Cayman Islands

Headquarter and Principal Place of

Business in Malaysia:

18, Jalan LP 2A/2,

Taman Lestari Perdana,

43300 Seri Kembangan,

Selangor, Darul Ehsan,

Malaysia

Principal Place of

Business in Hong Kong:

Room 1406-08, 14/F,

Austin Tower,

22-26 Austin Avenue,

Tsimshatsui,

Kowloon,

Hong Kong

23 July 2026

To the Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION
IN RELATION TO
THE ACQUISITION OF LAND**

INTRODUCTION

Reference is made to the announcement of the Company dated 12 June 2026 in relation to the Acquisition. On 12 June 2026 (after trading hours), the Vendor accepted the Offer made by the Purchaser (an indirect wholly-owned subsidiary of the Company) pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the Land at the Consideration of RM24,000,000. The SPA has been executed by the parties on 10 July 2026.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further details of the Acquisition; (ii) financial information of the Group; (iii) the valuation report on the Land; and (iv) the notice of the EGM.

THE SPA

Major terms of the SPA are set out as follows:

- Subject matter** : The Purchaser agreed to purchase, and the Vendor agreed to sell, the Land.
- Land** : No. 1894, Jalan Kpb 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor, Malaysia.
- Consideration and payment terms** : The Consideration of RM24,000,000 shall be settled by the Purchaser to the Vendor in the following manner:
- (i) the Earnest Deposit of RM480,000 already paid to the Vendor's solicitors as stakeholders upon the Vendor's acceptance of the Offer;
 - (ii) the Balance Deposit of RM1,920,000, of which RM720,000 already paid to the Purchaser's solicitors as a retention sum for the Director General of Inland Revenue of Malaysia pursuant to Section 21B of the Real Property Gains Tax Act 1976, and RM1,200,000 already paid to the Vendor's solicitors as stakeholders, upon the execution of the SPA; and
 - (iii) the balance of the Consideration (i.e. RM21,600,000) shall be paid to the Vendor's solicitors as stakeholders within 90 days from the date on which the SPA becomes unconditional.
- Completion** : Completion shall take place on the Completion Date, being the date on which the balance of the Consideration and the Late Payment Interest (if any) has been fully paid to the Vendor's solicitors as stakeholders.

Information of the Land

The Land is being leased by the Purchaser as at the Latest Practicable Date. The address of the Land is No. 1894, Jalan Kpb 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor, Malaysia, with a total area of approximately 8,093.7 sq.m. The Land is a piece of freehold land for industrial use.

LETTER FROM THE BOARD

Basis of determination of consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to the followings:

- (i) the location of the Land;
- (ii) the prevailing market price of comparable properties in the vicinity of the Land; and
- (iii) the preliminary valuation of the Land in the amount of RM24,000,000 carried out by an independent professional valuer (the “**Valuer**”) as at 9 June 2026, details of which are set out in Appendix I to this circular.

The Consideration will be funded by a combination of the Group's internal resources and bank borrowings. It is currently expected that approximately 40% of the Consideration will be funded by internal resources and approximately 60% by bank borrowings, consistent with the financing condition precedent set out below.

Directors' assessment on the valuation approach and valuation comparables used by the Valuer in determining the market value of the Land

The Directors are of the view that the comparison approach adopted by the Valuer, which is the principal method prescribed under International Valuation Standards (the “**IVS**”) issued by the International Valuation Standards Council (the “**IVSC**”) and the Malaysian Valuation Standards (the “**MVS**”) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (the “**BOVAEAPM**”), is fair and appropriate because of the use of recently transacted industrial land of a similar nature in the area, which includes three sales evidence.

The Directors considered alternative valuation methods such as investment method to be less suitable as compared to the comparison approach due to the fact that the Land is for own use rather than for investment purposes. Furthermore, the Directors consider that the selection scope of comparables put forward by the Valuer were specific and exhaustive, as they are all sourced from the Valuation and Property Services Department of Malaysia. Please refer to Appendix I to this circular for further details on the valuation approach and valuation comparables used by the Valuer in determining the market value of the Land.

Directors' assessment on the reasonableness of adjustments

Furthermore, the Directors' consider that the adjustments given by the Valuer to the comparables for differential factors, such as location, size, access, terrain and tenure, were objectively derived from the Valuer's market evidence and peer transaction analyses, which supports that the market value of the Land as stated in the valuation report is fair and reliable.

LETTER FROM THE BOARD

Directors' assessment on the fairness and reasonableness of the Consideration

Having considered (i) the Valuer is independent from the Company and has relevant experience in conducting the Valuation similar to that of the Land; (ii) the adoption of comparison approach for the Land, is an appropriate valuation methodology; and (iii) the reasonableness of the bases and assumptions adopted in the Valuation, the Directors are of the view that the market value of the Land as set out in the valuation report in Appendix I to this circular is an appropriate reference point to assess the fairness and reasonableness of the Consideration under the SPA, and the Consideration, which is determined based on the valuation, is fair and reasonable and in the interests to the Company and its Shareholders as a whole.

Conditions Precedent

The SPA shall be subject to and conditional upon the fulfilment of a number of conditions within the CP Period or the Extended CP Period:

- (a) the Acquisition having been approved by the Shareholders at the EGM;
- (b) the Purchaser having obtained the approval of the relevant state authority pursuant to the relevant laws and regulations; and
- (c) the Purchaser having obtained financing of not less than 60% of the Consideration to finance the Land.

In the event the above conditions are not fulfilled within the CP Period or Extended CP Period, the SPA shall be rescinded and deemed mutually terminated and in such event the Earnest Deposit and the Balance Deposit shall be fully refunded to the Purchaser free of interest within 7 days from the termination of the SPA, failing which the interest at the rate of 8% per annum to be calculated on a daily basis on the outstanding sum shall be imposed on the Vendor effective from the due date for the refund until the date of the Purchaser's actual receipt of the Earnest Deposit and the Balance Deposit.

FINANCIAL EFFECT OF THE ACQUISITION

Immediately upon Completion, the financial effects on the Group are expected to be: (i) an increase in non-current assets of approximately RM24,000,000; (ii) a decrease in the Group's net cash position by approximately RM9,600,000 (representing the portion of the Consideration funded by internal resources); (iii) an increase in the Group's bank borrowings of approximately RM14,400,000 (representing the portion funded by banking facilities, being not less than 60% of the Consideration); and (iv) an immaterial effect on the net assets and earnings of the Group.

LETTER FROM THE BOARD

GENERAL INFORMATION OF THE PARTIES

The Group

The Company is an exempted company incorporated in the Cayman Islands with limited liability, and the shares which are listed on GEM of the Stock Exchange. The Group is primarily engaged in the manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia and the operation of an e-commerce platform in the People's Republic of China.

The Purchaser is a company limited by shares incorporated under the laws of Malaysia, and an indirect wholly-owned subsidiary of the Company. The Purchaser is a main operating subsidiary of the Company which engages in production of concrete junction boxes.

The Vendor

The Vendor is a company limited by shares incorporated in Malaysia and principally engages in the wholesale and distribution of Chinese herbs and ginseng. As at the Latest Practicable Date, the Vendor is owned by Mr. Chung Fah Kien, Mr. Chung Fah Woon, Mr. Chung Wah Hong and Mr. Chung Wah Tong, each holding 25% respectively.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Purchaser is currently leasing the Land at an annual rental of approximately RM582,000 and has established a permanent production plant thereon, having invested substantial capital expenditure in plant, machinery, infrastructure and supporting facilities on the Land. The existing lease in respect of the Land is due to expire on 31 January 2027. The Vendor has indicated its intention to dispose of the Land in the open market.

In the event that the Purchaser is unable to renew the lease with any prospective purchaser of the Land, the Purchaser would be required to relocate its production plant to an alternative site and carry out all necessary preparatory works, including, among others, land levelling and the application for and obtaining of all requisite approvals and licences. Such relocation process is expected to take not less than 12 months and would likely result in material disruption to the production operations of the Group, including potential loss of production capacity, delays in fulfilling customer orders and significant relocation costs.

LETTER FROM THE BOARD

The Board is of the view that the Acquisition will enable the Group to secure a permanent production site, providing the Group with greater operational certainty and control over its manufacturing activities and minimising potential disruption arising from any termination or non-renewal of the existing lease. The Acquisition is also expected to reduce the Group's long-term rental expenses and its exposure to future rental increases, and will strengthen the asset base of the Group through the ownership of a strategic industrial property utilised in its core operations. Ownership of the Land would further provide the Group with flexibility to undertake future expansion of its production facilities and storage areas, subject to the relevant approvals, in line with its long-term business growth plans. The Group may also benefit from any potential capital appreciation of the Land.

The Directors (including the independent non-executive Directors) consider that the Acquisition is carried out on normal commercial terms, and the terms of the SPA are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined in the GEM Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, such transaction constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

EGM

A notice convening the EGM to be held at 3 p.m. on Wednesday, 12 August 2026 at Units 5906–12, 59/F, The Centre, 99 Queen's Road Central, Hong Kong is set out from pages EGM-1 to EGM-2 of this circular. An ordinary resolution (the "**Resolution**") will be proposed at the EGM for the Shareholders to approve the Acquisition.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors after having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition which would require them to abstain from voting on the resolution at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, the resolution will be voted on by way of poll at the EGM and the Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the SPA and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution in relation to the Acquisition to be proposed in the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By order of the Board
WS-SK Target Group Limited
Loh Swee Keong
Chairman and Executive Director

VALUATION CERTIFICATE

Date : 23 July 2026
Our Ref No. : LC/VAL/26/022160/WST-CV

PRIVATE & CONFIDENTIAL**BOARD OF DIRECTORS****Target Precast Industries Sdn. Bhd.**

No. 18, Jalan LP 2A/2,
Lestari Perdana,
43300 Seri Kembangan,
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF A PARCEL OF INDUSTRIAL LAND ERECTED WITH TEMPORARY BUILDINGS AND STRUCTURES THEREON BEARING POSTAL ADDRESS LOT 1894, JALAN KPB 5, KAWASAN PERUSAHAAN BALAKONG, 43300 SERI KEMBANGAN, SELANGOR DARUL EHSAN HELD UNDER TITLE NO. GERAN MUKIM 1034, LOT NO. 1894, TEMPAT BATU 12, JALAN SUNGAI BESI — CHERAS, MUKIM OF CHERAS, DISTRICT OF ULU LANGAT, STATE OF SELANGOR (HEREINAFTER REFERRED TO AS THE “SUBJECT PROPERTY”)

INSTRUCTION AND VALUATION DATE

We refer to the instructions by **Target Precast Industries Sdn. Bhd.** (the “**Company**”) to provide an opinion on the **Market Value** of the abovementioned **Subject Property** in accordance with the Rules Governing the Listing of Securities on the **Stock Exchange of Hong Kong Limited** (the “**HKEX**”).

In accordance with your instructions to value the Subject Property, we confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the property interest as at 18 June 2026 (the “**Valuation Date**”).

VALUATION STANDARDS

The valuation had been carried out in accordance with the Growth Enterprise Market (GEM) Listing Rules (including but not limited to Chapter 8 — Valuation of and Information on Properties) issued by **HKEX**, the International Valuation Standards (the “**IVS**”) issued by the International Valuation Standards Council (the “**IVSC**”) and the Malaysian Valuation Standards (the “**MVS**”) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (the “**BOVAEP**”) and with the necessary professional responsibility and due diligence.

Breach of relevant laws & rules in respect of the Subject Property

As at the material date of valuation, there is no material breach of relevant laws, regulations, rules and requirements including but not limited to environmental regulations in relation to the Subject Property.

VALUATION BASIS

The basis of valuation adopted is the **Market Value** which is defined by the MVS and IVS to be “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.*”

VALUATION METHODOLOGY

We have adopted only one method of valuation. We are of the opinion that the comparison approach is the best and only approach in this instance, as a result of the following factors: -

- a. There are ample comparable transactions of land with similar size and tenure within the vicinity of the Subject Property, in order to establish a consistent pattern of values.
- b. There is no approved Development Order or any development planning approval granted by the Local Council as at the date of valuation. Thus, the Residual Method would not be a suitable method of valuation in this instance.
- c. There is a lack of reliable evidence of concluded rental transactions for vacant industrial land within the vicinity of the Subject Property. Although asking rental rates are available, these remain subject to negotiation and may not accurately reflect the final transacted rental levels. Consequently, the available rental evidence lacks consistency and reliability for the purpose of deriving a representative market rental. In view of the absence of sufficient and dependable rental evidence, the Investment Method is considered inappropriate for this valuation.
- d. The lands within the vicinity of the Subject Property are mainly for own use rather than for investment purposes. Therefore, the Investment Method is not applicable in this case.

The Comparison Approach involves comparing the Subject Property with recently transacted properties of a similar nature or offers for sale of similar properties in the area. Adjustments are then made to the dissimilarities between the comparables and the Subject Property in order to arrive at a common basis for comparison.

TITLE INVESTIGATION

We have been shown the land title document relating to the property interests and have also made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the countries and any material encumbrance

that might be attached to the property interests or any tenancy amendment. We have reviewed and considered the legal opinions issued by the legal advisors of the relevant countries given by our Company's legal advisors concerning the validity of the property interests in these countries.

We have carried out detailed measurements to verify the correctness of the areas in respect of the Subject Property and we have verified that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

INSPECTION AND INVESTIGATIONS

We have inspected the exterior and the interior of the Subject Property. No tests were carried out on any of the services.

Inspection of the Subject Property was carried out on 18 June 2026 by the following Executive Director and Valuation Executive from Laurelcap Sdn. Bhd.:

- i. Sr Stanley Toh Kim Seng, an Executive Director of Laurelcap Sdn. Bhd. and a Registered Valuer of The Board of Valuers, Appraisers, Estate Agents & Property Managers, Malaysia (BOVAEP), a member of Royal Institution Surveyors Malaysia (RISM) and a member of Royal International Chartered Surveyors (RICS); and
- ii. Mr Wong Sek Thung, a Valuation Executive of Laurelcap Sdn. Bhd.

We have no reason to doubt the truth and accuracy of the information provided to us by our Company. We have also sought confirmation from our Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Ringgit Malaysia (RM).

Our valuation is summarized below and the valuation certificate is attached.

Yours faithfully,
For and on behalf of Laurelcap Sdn. Bhd.

Sr STANLEY TOH KING SENG
BSc (Hons) Estate Management,
MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM
Registered Valuer (V-927)
Executive Director

VALUATION CERTIFICATE

Property interests in Malaysia

Property (Address)	Description and tenure	Particulars of occupancy	Market Value in existing state as at 18 June 2026 RM
Lot 1894, Jalan KPB 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan	The Subject Property is a parcel of industrial land erected with temporary buildings and structures thereon. The land resembles a rectangular shaped parcel of land encompassing a surveyed land area of approximately 8,093.70 sq.m (about 87,140.59 sq.ft. or 2.00 acres). It is generally flat and levelled with the frontage road of Jalan KPB 5. Infrastructure in the form of electricity water, telecommunication lines, drainage and sewerage are readily available and can be connected to the Subject Property. The land is held under grant in perpetuity and is identified as Geran Mukim 1034, Lot No. 1894, Tempat Batu 12, Jalan Sungai Besi — Cheras, Mukim of Cheras, District of Ulu Langat, State of Selangor. It is located within an area zoned for industrial use.	The Subject Property is currently tenanted by Target Precast Industries Sdn. Bhd. for manufacturing and processing of precast concrete purposes.	24,000,000.00

Notes:

- The valuation and this certificate were prepared by Sr STANLEY TOH KIM SENG BSc (Hons) Estate Management MRISM, MRICS, MPEPS, MMIPFM, ICVS, MBVAM Registered Valuer (V-927) and Mr WONG SEK THUNG BSc (Hons) Applied Sciences Mathematics and Economics GradRISM, ICVS, MBVAM Probationary Valuer (PV-3337).
- Details of the Title Search of the property dated 22 June 2026 is shown below: -

Title No.	:	Geran Mukim 1034
Lot No.	:	Lot 1894
Tempat	:	Batu 12, Jalan Sungai Besi — Cheras
Bandar/Pekan/Mukim	:	Mukim Cheras
District	:	Ulu Langat
State	:	Selangor
Surveyed Land Area	:	8,093.70 sq.m. (about 87,140.59 sq.ft. or 2.00 acres)
Tenure	:	Grant in perpetuity
Quit Rent	:	RM2,655.00 per annum
Category of Land Use	:	“Industri” (<i>Translation: Industrial</i>)
Express Condition	:	“Bangunan Perindustrian” (<i>Translation: Industrial Building</i>)
Restriction In Interest	:	Nil
Registered Owner	:	Kien Heng Hong Ginseng Sdn. Bhd. (1/1 share)
Charge/Encumbrance ^{*Note (1)}	:	(i) One (1) charge to Public Bank Berhad vide Presentation No. 061SC7449/2010 dated on 23 June 2010.
		(ii) One (1) charge to Public Islamic Bank Berhad vide Presentation No. 061SC6674/2019 dated on 07 October 2019.

(iii) One (1) charge to Public Islamic Bank Berhad vide Presentation No. 061SC6673/2019 dated on 07 October 2019.

Endorsement^{*Note (2)} : One (1) private caveat entry by Public Bank Berhad vide Presentation No. 061B2349/2010 dated on 20 April 2010.

*Note: (1)& (2)

Pursuant to Recital E of the Draft Sale and Purchase Agreement (Draft SPA), the Vendor has agreed to sell and the Company has agreed to purchase the Subject Property on an “as is where is” basis as at the date of inspection. While the Subject Property is currently subject to the Vendor’s Financier’s Charges as disclosed in Recital C of the SPA, pursuant to Clause 6.2 and Clause 6.3 of the SPA, the Balance Purchase Price will be first utilized to fully redeem the Property and discharge the existing charges. Upon completion, the Subject Property will be delivered to the Purchaser free from all caveats, liens, charges, and encumbrances in accordance with Clause 8.1 of the SPA, following which a new charge will be registered in favour of the Purchaser’s Financier pursuant to Clause 7.1 of the SPA.

3. General description of the property is shown below: -

Location : The Subject Property is situated along Jalan KPB 5 within Kawasan Perindustrian Balakong (Balakong Industrial Park), Selangor. It is approximately 22.00 kilometres due south and 12.00 kilometres due north west of Kuala Lumpur City Centre and Kajang town centre respectively. Major connecting roads servicing the areas are Kajang Dispersal Link Expressway (SILK) Cheras Link, Sungai Besi Expressway (BESRAYA), Cheras Kajang Expressway (CKE) and Kuala Lumpur Seremban Expressway.

Surrounding Area : The Subject Property is located within an area designated for industrial use. The industrial estate mainly consists of individually designed factories.

4. The Subject Property is situated in an area ripe for development, as evidenced by the numerous individually designed factories within the industrial estate.
5. As at the date of valuation, there are no planning permission and/or building plan submitted to the local authorities. All development approvals are subject to the compliance with the planning guidelines issued by the relevant local authorities and by-laws. Depending on the development components, construction of roadways, pathways, drainage, sewage and other facilities or services for public use may be required.
6. The temporary buildings and structures erected on site belongs to the Company, which is presently renting from the landowner. As such, we have attributed no material value to those improvements in arriving at the Market Value of the Subject Property.
7. The tenancy is based on a term of two (2) years, commencing on 01 February 2026 and expiring on 31 January 2027, with an option to renew for a further term of two (2) years with the monthly rental of Ringgit Malaysia (RM) 48,500.00.
8. The Company will continue its existing operations on the Subject Property upon completion of the transaction. The Company has confirmed that there are currently no plans to undertake any construction, renovation, improvement, development or the change of use on the Subject Property.
9. In arriving at the Market Value of the Subject Property, three (3) relevant industrial land transactions within the vicinity have been identified and adjustments are made to the dissimilarities between the comparables and the Subject Property.
10. The three (3) sales evidence compiled for this valuation exercise were exhaustive and gathered based on similarities with the Subject Property in terms of the following characteristics: -
 - a. Property Type: Industrial land
 - b. Location: Within 4.00-kilometre radius
 - c. Transaction Date: Less than three (3) years from the date of valuation

11. Recent transactions of industrial lands of similar nature within the neighbourhood which are pertinent to substantiate a value indication for the subject are reviewed and these sales are listed below.

COMPARABLES	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Source	Valuation and Property Services Department, Malaysia	Valuation and Property Services Department, Malaysia	Valuation and Property Services Department, Malaysia
Description	A parcel of industrial land	A parcel of industrial land	A parcel of industrial land
Identification of the Land	Lot 3375, Jalan Perusahaan Utama, Taman Industri Selesa Jaya, Cheras, Selangor	Lot 1062 (PT 37925), Jalan Simpang Balak, Kawasan Perindustrian Sungai Balak, Cheras, Selangor	Lot PT 49577, Jalan JKB 2/15, Off Jalan Balakong, Cheras, Selangor
Transaction Date	02 April 2024	24 February 2025	05 February 2026
Category of Land Use	Industrial	Industrial	Industrial
Zoning	Industrial	Industrial	Industrial
Vendor	Malaysian Aluminium And Brass Industries Sdn. Bhd.	Panlatin Sdn. Bhd.	Aseana Development Sdn. Bhd.
Purchaser	Actmax International Holdings Sdn. Bhd.	Zeito Plastic Components Sdn. Bhd.	Wing Hin Industries Sdn. Bhd.
Tenure	Grant in perpetuity	Leasehold for 99 years expiring on 04 December 2096, leaving an unexpired term of approximately 71 years as at the date of transaction.	Grant in perpetuity
Land Area	155,179.92 square feet (3.56 acres)	49,136.05 square feet (1.13 acre)	134,700.70 square feet (3.09 acres)
Consideration	RM36,900,000.00	RM10,318,493.00	RM28,960,284.00
Analysis	RM237.95 p.s.f.	RM210.00 p.s.f.	RM215.00 p.s.f.
Adjustments	Adjustments have been made for location, size, access, terrain and tenure		
Adjusted Land Value	RM261.57 p.s.f.	RM252.00 p.s.f.	RM279.50 p.s.f.

FACTORS	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
Identification of the Land	Lot 3375, Jalan Perusahaan Utama, Taman Industri Selesa Jaya, Cheras, Selangor	Lot 1062 (PT 37925), Jalan Simpang Balak, Kawasan Perindustrian Sungai Balak, Cheras, Selangor	Lot PT 49577, Jalan JKB 2/15, Off Jalan Balakong, Cheras, Selangor
Land Area	155,179.92 square feet (3.56 acres)	49,136.05 square feet (1.13 acre)	134,700.70 square feet (3.09 acres)
Transaction Date	02 April 2024	24 February 2025	05 February 2026
Consideration	RM 36,900,000.00	RM 10,318,493.00	RM 28,960,284.00
Analysis	RM 237.95 p.s.f.	RM 210.00 p.s.f.	RM 215.00 p.s.f.

Factors of Adjustment						
A. Time	0.00%	The comparable was transacted in 2024 which is about two (2) years from the date of valuation. Therefore, no adjustment has been made for this factor.	0.00%	The comparable was transacted in 2025 which is about one (1) year from the date of valuation. Therefore, no adjustment has been made for this factor.	0.00%	The comparable was transacted in 2026 which is similar year from the date of valuation. Therefore, no adjustment has been made for this factor.
Value After Time Adjustment	RM 237.95 p.s.f.		RM 210.00 p.s.f.		RM 215.00 p.s.f.	
B. Location	5.00%	This comparable is located in Selesa Jaya Industrial Estate, about 3.00 kilometres due south east of the Subject Property. As the Subject Property is in a more established industrial area with a stronger business environment, a 5.00% upward adjustment is applied to the comparable.	5.00%	The comparable is located in Simpang Balak Industrial Estate, about 7.00 kilometres due south east of the Subject Property. As the Subject Property is located in a more established industrial area with stronger demand and business activities, a 5.00% upward adjustment is applied to the comparable.	5.00%	The comparable is located in Balakong Industrial Estate, about 2.00 kilometres due east of the Subject Property. Although both properties are within the same industrial estate, the comparable is located in a less favourable area due to the surrounding residential area of Kampung Baru Balakong, which results in a weaker industrial environment. Therefore, a 5.00% upward adjustment is applied to the comparable.
C. Size	5.00%	This comparable has a larger land area of about 3.56 acres, compared to the Subject Property's 2.00 acres. As larger land parcels are generally sold at a lower price per square foot, a 5.00% upward adjustment is applied to the comparable.	—5.00%	The comparable has a smaller land area of about 1.13 acres compared to the Subject Property's 2.00 acres. As smaller land parcels generally transact at a higher price per square foot, a 5.00% downward adjustment is applied to the comparable.	5.00%	The comparable has a larger land area of about 3.09 acres compared to the Subject Property's 2.00 acres. As larger land parcels generally transact at a lower price per square foot, a 5.00% upward adjustment is applied to the comparable.

Factors of Adjustment						
D. Accessibility	0.00%	The comparable has a wide access road that is suitable for industrial use, similar to the Subject Property. Therefore, no adjustment is made.	10.00%	The comparable is served by a narrower access road than the Subject Property, resulting in less suitable access for heavy vehicles and industrial use. Therefore, a 10.00% upward adjustment is applied to the comparable.	10.00%	The comparable is served by a narrower access road than the Subject Property, resulting in less suitable access for heavy vehicles and industrial use. Therefore, a 10.00% upward adjustment is applied to the comparable.
E. Terrain	0.00%	The comparable is level with the frontage road, similar to the Subject Property. Therefore, no adjustment is made.	0.00%	The comparable is level with the frontage road, similar to the Subject Property. Therefore, no adjustment is made.	10.00%	The comparable is located on land that is lower than the frontage road, while the Subject Property is level with the road. Therefore, a 10.00% upward adjustment is applied to the comparable.
F. Tenure	0.00%	Both the Comparable and Subject Property holds a freehold tenure. Therefore, no adjustment is made.	10.00%	The Subject Property is freehold tenure compared to the comparable, which has an unexpired term of about 71 years at the transaction date. Therefore, a 10.00% upward adjustment is applied to the comparable.	0.00%	Both the Comparable and Subject Property holds a freehold tenure. Therefore, no adjustment is made.
Total Adjustment	10.00%		20.00%		30.00%	
Adjusted Value	RM 261.57 p.s.f.		RM 252.00 p.s.f.		RM 279.50 p.s.f.	

After the aforesaid adjustments were made, the adjusted value p.s.f. range from RM252.00 p.s.f. to RM279.50 p.s.f.. The total adjustments among the comparable ranges from 10.00% to 30.00%.

Taking into consideration of the differences of the Subject Property and the comparables, we have adopted Comparable 3 as the most appropriate comparable due to the following characteristics: -

- (a) It is the latest transacted data;
- (b) It is located nearest to the Subject Property; and
- (c) Both are grant in perpetuity in tenure.

From the above analysis, we have adopted a value p.s.f. after adjustment of **RM279.50 p.s.f.**

A. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the three years ended 31 May 2025 and the six months ended 30 November 2025 are disclosed in the following documents which are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.sktargetgroup.com.

- i. Annual report of the Company for the year ended 31 May 2023
<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0831/2023083102028.pdf>
- ii. Annual report of the Company for the year ended 31 May 2024
<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0830/2024083001072.pdf>
- iii. Annual report of the Company for the year ended 31 May 2025
<https://www1.hkexnews.hk/listedco/listconews/gem/2025/0923/2025092300600.pdf>
- iv. Interim report of the Company for the six months ended 30 November 2025
<https://www1.hkexnews.hk/listedco/listconews/gem/2026/0114/2026011401286.pdf>

B. INDEBTEDNESS

At the close of business on 31 May 2026, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding borrowings:

	Secured <i>RM'000</i>	The Group Unsecured <i>RM'000</i>	Total <i>RM'000</i>
Carrying amount of promissory notes	—	3,431	3,431
Lease liabilities	—	618	618
	—	4,049	4,049

As at 31 May 2026, both the promissory notes and lease liabilities are not guaranteed.

Save as aforesaid or otherwise disclosed herein, and apart from normal trade payables in the ordinary course of business, as at the close of business on 31 May 2026, the Group did not have any debt securities authorised or otherwise created but unissued, or any term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, lease liabilities, mortgages or charges, other material contingent liabilities or guarantees outstanding. To the best of the knowledge of the Directors, having made all reasonable enquiries, there has been no material change in the level of indebtedness of the Group since 31 May 2026.

C. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into consideration the financial resources available to the Group including internally generated funds, bank and other facilities, the Group will have sufficient working capital for its operation for at least twelve months from the date of this circular.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any circumstances or events that may give rise to a material adverse change in the financial or trading position of the Group since 31 May 2025, being the date to which the latest audited consolidated financial statements of the Group were made up.

E. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group manufactures and sells precast concrete telecommunication junction boxes and precast concrete electrical junction boxes under the brand of “Target” in Malaysia (the “**Manufacturing and Trading Business**”). The Group’s precast concrete junction boxes are used in (i) telecommunication and electrical infrastructures upgrade and expansion works; and (ii) construction projects in Malaysia. They are buried underground to deter tampering and are used to house and protect a junction with telecommunication and electrical utility connection and distribution access points from weather, changing elevation underground and provide easy access for maintenance.

The Group has been a registered supplier or approved supplier of various notable telecommunication companies such as Celcom Axiata Berhad (“**Celcom**”) and Telekom Malaysia (“**Telekom**”) since 2008 and the registered supplier of Tenaga Nasional Bhd. (“**TNB**”), the only electric utility company in Malaysia since 2012. Hence, the Group’s precast concrete junction boxes can be used in infrastructure or construction projects involving telecommunication companies and TNB.

As disclosed in the interim report of the Company for the six months ended 30 November 2025, the revenue of the Group increased by approximately 22.01% from approximately RM15.5 million for the six months ended 30 November 2024 to approximately RM18.9 million for the six months ended 30 November 2025, the increase is mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junction boxes business which was mainly due to more tailor made concrete junction boxes was sold during the period.

The Board always strives to improve Group’s business operations and financial position by proactively seeking potential investment opportunities that would diversify the Group’s existing portfolio and broaden its source of income, and enhance value to the shareholders.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in Shares, underlying Shares and debentures of the Company and associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Ordinary Shares of the Company

Name of Director/ Chief Executive	Capacity/Nature of interest	Number of Shares interested	Percentage of the Company's issued share capital
Mr. Loh Swee Keong ^{Note}	Interest in controlled corporation	2,911,200	17.57%

Note: Merchant World Investments Limited is a company incorporated in the British Virgin Islands and is wholly-owned by Mr. Loh Swee Keong. Mr. Loh Swee Keong is deemed to be interested in all the Shares held by Merchant World Investments Limited for the purpose of the SFO.

As at the Latest Practicable Date, Mr. Loh Swee Keong is a director of Merchant World Investments Limited, a company which has an interest in the Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as 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/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules; and none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Substantial shareholders' and other persons' interests and short positions in the shares and underlying shares of the company

As at the Latest Practicable Date, the following persons (other than the Directors or chief executive of the Company) had interests and/or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Ordinary Shares of the Company

Name	Capacity/ Nature of interest	Number of Shares interested	Percentage of the Company's issued share capital
Merchant World Investments Limited	Beneficial owner	2,911,200	17.57%
Ms. Woon Sow Sum <i>Note 1</i>	Interest of spouse	2,911,200	17.57%
Mr. Lei Meng Fong	Beneficial owner	2,725,272	16.45%
Greater Elite Holdings Limited	Beneficial owner	1,961,010	11.84%
Mr. Law Fung Yuen Paul <i>Note 2</i>	Interest in controlled corporation	1,961,010	11.84%
Ms. Cheng Lai Wah Christina <i>Note 3</i>	Interest of spouse	1,961,010	11.84%
Mr. Choy Sheung Ki Gary	Beneficial owner	1,248,300	7.53%

Notes:

- (1) Ms. Woon Sow Sum is the spouse of Mr. Loh Swee Keong and is deemed, or taken to be interested in all Shares in which Mr. Loh Swee Keong has interest under the SFO.
- (2) Greater Elite Holdings Limited is a company incorporated in the BVI and is wholly-owned by Mr. Law Fung Yuen Paul. Mr. Law Fung Yuen Paul is deemed to be interested in all the Shares held by Greater Elite Holdings Limited for the purpose of the SFO.
- (3) Ms. Cheng Lai Wah Christina is the spouse of Mr. Law Fung Yuen Paul and is deemed, or taken to be interested in all Shares in which Mr. Law Fung Yuen Paul has interest under the SFO.

Save for disclosed above, as at the Latest Practicable Date, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

3. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

4. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors nor their respective close associates (as defined under the GEM Listing Rules) has any interest in business which is considered to compete or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the GEM Listing Rules.

5. DIRECTORS' INTEREST IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, there was no contract or arrangement in which any Director was materially interested in and which was significant in relation to the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has, directly or indirectly, any interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 May 2025 (being the date to which the latest published audited accounts of the Company were made up).

7. LITIGATION

As at the Latest Practicable Date, so far as was known to the Directors, none of the members of the Group was engaged in any litigation, arbitration or administration proceedings of material importance and there was no litigation, arbitration, administration proceedings or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save for the SPA as at the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of business) was entered into by members of the Group within two years immediately preceding the date of this circular and is or maybe material.

9. EXPERT AND CONSENT

The following expert has been named in this circular or has given opinion or advice which are contained in this circular.

Name	Qualification
Laurelcap Sdn. Bhd.	Independent qualified valuer

As at the Latest Practicable Date, the above expert:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or report (as the case may be) and references to its names, in the form and context in which they respectively appear;
- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group; or
- (c) did not have any interest, either directly or indirectly, in any assets which have been, since the date to which the latest published audited financial statements of the Company were made up (i.e. 31 May 2025), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

10. AUDIT COMMITTEE

The audit committee is to assist the Board in providing an independent review and supervision of financial reporting and risk management, by satisfying themselves as to the effectiveness of the internal controls of the Group, and as to the adequacy of the external and internal audits.

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying. Further details of the member of the audit committee are as follows:

- **Mr. Yau Ka Hei** (“**Mr. Yau**”), aged 43, was appointed as the independent non-executive Director of the Company with effect from 27 June 2017 and is a member of the Nomination Committee and the chairman of the Audit Committee and the Remuneration Committee of the Company. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants. He obtained his Bachelor’s Degree of Business Administration in Business Economics from the City University of Hong Kong in November 2007. Mr. Yau has over 10 years experiences in accounting and auditing. He is currently the finance manager of a Hong Kong company, which engages in energy trading business.
- **Mr. Ma, She Shing Albert** (“**Mr. Ma**”), aged 65, graduated from Pomona College, California, USA with a Bachelor of Arts Degree in 1983. Mr. Ma possesses extensive experience in corporate banking and private banking in major USA and European financial institutions. He was previously a vice president of a renowned USA investment bank in Hong Kong. He is currently a general manager of Incu Corporate Finance Limited, a consulting firm, where he is responsible for office administration.
- **Ms. Yau Ka Ying** (“**Ms. Yau**”), aged 37, obtained a Bachelor’s degree of Business Administration in Tourism Management from Jinan University in 2009. Ms. Yau has 10 years of experience in marketing and she is currently a business and marketing consultant of a Hong Kong consultancy company since April 2022. Ms. Yau is also a commentator in Hong Kong Jockey Club.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.sktargetgroup.com>) in accordance with the GEM Listing Rules from the date of the circular and up to and including the date of the EGM:

- (a) the SPA;
- (b) the written consent referred to in the paragraph headed “Expert and Consent” in this Appendix;
- (c) the valuation report from Laurelcap Sdn. Bhd. as set out in Appendix I of this circular;
- (d) the annual reports of the Company for each of the three financial years ended 31 May 2023, 2024 and 2025 and the interim report of the Company for the six months ended 30 November 2025;
- (e) this circular.

12. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Leung Tze Wai, who is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia;
- (b) The compliance officer of the Company is Mr. Loh Swee Keong, who is also an executive Director;
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited; and
- (d) The English text of this circular and the accompanying form of proxy shall prevail over their respective Chinese text.

NOTICE OF EXTRAORDINARY GENERAL MEETING

WS-SK TARGET GROUP LIMITED

萬順瑞強集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8427)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of WS-SK Target Group Limited (the “**Company**”) will be held at Units 5906–12, 59/F, The Centre, 99 Queen’s Road Central, Hong Kong on 12, August 2026 at 3 p.m., for the purpose of considering and, if think fit, passing with or without modification the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the sale and purchase agreement dated 10 July 2026 entered into between (1) Target Precast Industries Sdn. Bhd. (an indirect wholly-owned subsidiary of the Company) as purchaser; and (2) Kien Heng Hong Ginseng Sdn. Bhd. as vendor, for the sale and purchase of the freehold land located at No. 1894, Jalan Kpb 5, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor, Malaysia (copies of which were tabled at the meeting marked “A” and signed by the chairperson of the meeting for the purpose of identification), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the Directors be and is/are hereby authorised generally to do all such acts, deeds and things and to sign and execute all such documents, including under seal where applicable, on behalf of the Company, as they shall, in his/their absolute discretion, deem appropriate to effect and implement the transaction contemplated under the sale and purchase agreement.”

By order of the Board
WS-SK Target Group Limited
Loh Swee Keong
Chairman and Executive Director

Hong Kong, 23 July 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. For the purpose of determining the identity of the Shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from 7 August 2026 to 12 August 2026, both dates inclusive, during which period no transfer of shares will be effected. The record date for the EGM will be 12 August 2026. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 6 August 2026.
2. Any member of the Company entitled to attend and vote at the meeting convened by this notice shall be entitled to appoint a proxy to attend and vote in his/her stead in accordance with the Articles of Association of the Company. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the meeting. A proxy need not be a member of the Company but must be present in person to represent the member.
3. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjournment thereof should they so wish.
4. As at the date of this notice, the Board comprises (i) one Executive Director, namely Mr. Loh Swee Keong; and (ii) three Independent Non-executive Directors, namely Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying.
5. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 1:00 p.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the website of the Company (sktargetgroup.com) and the HKEXnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting.