

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



2017 Third Quarterly Report  
第三季度業績報告

## **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 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 that the companies listed on the GEM are generally small and 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 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，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於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。GEM 的較高風險及其他特色表示 GEM 較適合專業及其他老練投資者。

由於 GEM 上市公司普遍為中小型公司，在 GEM 買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在 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。

# Corporate Information

## 公司資料

### REGISTERED OFFICE IN CAYMAN ISLANDS

P.O. Box 1350, Clifton House,  
75 Fort Street,  
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

Units 2201–3, Tai Tung Building,  
8 Fleming Road, Wanchai,  
Hong Kong

### EXECUTIVE DIRECTORS

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

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei  
Mr. Chu Kin Ming  
Mr. Lee, Alexander Patrick

### COMPANY SECRETARY

Ms. Chau Wing Kei, CPA

### COMPLIANCE OFFICER

Mr. Tan Cheng Siong

### AUDIT COMMITTEE

Mr. Chu Kin Ming (*Chairman*)  
Mr. Yau Ka Hei  
Mr. Lee, Alexander Patrick

### REMUNERATION COMMITTEE

Mr. Yau Ka Hei (*Chairman*)  
Mr. Tan Cheng Siong  
Mr. Chu Kin Ming

### 開曼群島註冊辦事處

P.O. Box 1350, Clifton House,  
75 Fort Street,  
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  
灣仔菲林明道8號  
大同大廈2201–3室

### 執行董事

Loh Swee Keong 先生  
(*主席兼行政總裁*)  
Tan Cheng Siong 先生

### 獨立非執行董事

邱家禧先生  
朱健明先生  
李明鴻先生

### 公司秘書

周詠淇女士 · 註冊會計師

### 合規主任

Tan Cheng Siong 先生

### 審核委員會

朱健明先生 (*主席*)  
邱家禧先生  
李明鴻先生

### 薪酬委員會

邱家禧先生 (*主席*)  
Tan Cheng Siong 先生  
朱健明先生

# Corporate Information

## 公司資料

### NOMINATION COMMITTEE

Mr. Loh Swee Keong (*Chairman*)  
Mr. Yau Ka Hei  
Mr. Lee, Alexander Patrick

### AUTHORIZED REPRESENTATIVE

Mr. Loh Swee Keong  
Ms. Chau Wing Kei, *CPA*

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
P.O. Box 1350, Clifton House,  
75 Fort Street,  
Grand Cayman KY1-1108,  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre,  
183 Queen's Road East,  
Hong Kong

### PRINCIPAL BANKER

CIMB Bank Berhad  
Public Bank Berhad

### COMPLIANCE ADVISER

RHB Capital Hong Kong Limited

### AUDITORS

Deloitte PLT (LLP0010145-LCA)  
Chartered Accountants (AF0080)

### LEGAL ADVISERS

TC & Co. (*As to Hong Kong Law*)  
David Lai & Tan (*As to Malaysian Law*)  
Appleby (*As to Cayman Islands Law*)

### COMPANY'S WEBSITE ADDRESS

[www.targetprecast.com](http://www.targetprecast.com)

### STOCK CODE

8427

### 提名委員會

Loh Swee Keong 先生 (主席)  
邱家禧先生  
李明鴻先生

### 授權代表

Loh Swee Keong 先生  
周詠淇女士，註冊會計師

### 開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited  
P.O. Box 1350, Clifton House,  
75 Fort Street,  
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  
皇后大道東 183 號  
合和中心 22 樓

### 主要往來銀行

CIMB Bank Berhad  
Public Bank Berhad

### 合規顧問

興業金融融資有限公司

### 核數師

Deloitte PLT (LLP0010145-LCA)  
特許會計師 (AF0080)

### 法律顧問

崔曾律師事務所 (*有關香港法律*)  
David Lai & Tan (*有關馬來西亞法律*)  
毅柏律師事務所 (*有關開曼群島法律*)

### 公司網址

[www.targetprecast.com](http://www.targetprecast.com)

### 股份代號

8427

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

## 簡明綜合損益及其他全面收益表(未經審核)

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 nine months ended 28 February 2018 together with the unaudited comparative figures for the corresponding period in 2017 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」)截至二零一八年二月二十八日止九個月的未經審核簡明綜合業績以及二零一七年同期未經審核比較數字：

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

		Three months ended 28 February 截至二月二十八日止三個月		Nine months ended 28 February 截至二月二十八日止九個月		
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	
		(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	
	Note 附註					
Revenue	收入	3	9,709	7,817	25,558	24,520
Cost of sales	銷售成本		(7,437)	(4,605)	(19,471)	(16,253)
Gross profit	毛利		2,272	3,212	6,087	8,267
Other income	其他收入		45	48	198	100
Administrative expenses	行政開支		(1,629)	(1,043)	(4,748)	(2,022)
Selling and distribution expenses	銷售及分銷開支		(283)	(467)	(813)	(1,088)
Listing expenses	上市開支		-	(4,292)	(2,365)	(4,292)
Finance costs	融資成本	4	(4)	(19)	(43)	(50)
Fair value change of financial assets at fair value through profit or loss	按公平值計入損益的金融資產的公平值變動		-	-	-	13
Profit/(Loss) before taxation	除稅前溢利/(虧損)		401	(2,561)	(1,684)	928
Taxation	稅項	5	(133)	(477)	(734)	(1,314)
Profit/(Loss) and total comprehensive (loss)/income for the period	期內溢利/(虧損)及全面(虧損)/收益總額	6	268	(3,038)	(2,418)	(386)
Earnings/(Loss) per share — Basic	每股盈利/(虧損) — 基本	8	0.04	(0.69)	(0.41)	(0.11)
	(RM cents)					

# Condensed Consolidated Statement of Changes in Equity (Unaudited)

## 簡明綜合權益變動表(未經審核)

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

		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	Accumulated profits 累計溢利 RM'000 千令吉	Total 總計 RM'000 千令吉
At 31 May 2016 (audited)	於二零一六年 五月三十一日 (經審核)	-	-	570	11,013	11,583
Loss and total comprehensive income for the period	期內虧損及全面收益總額	-	-	-	(386)	(386)
Acquisition of the equity interest in subsidiaries by an intermediate holding company of the Company pursuant to the reorganisation	本公司中間控股公司根據重組購入附屬公司股權	-	-	(570)	-	(570)
Capital injection and issuance of Shares	注資及發行股份	-	-	8,579	-	8,579
At 28 February 2017 (unaudited)	於二零一七年 二月二十八日 (未經審核)	-	-	8,579	10,627	19,206
At 31 May 2017 (audited)	於二零一七年 五月三十一日 (經審核)	-	-	8,579	9,904	18,483
Loss and total comprehensive income/expense for the period	期內虧損及全面收益/開支總額	-	-	-	(2,418)	(2,418)
Capitalisation issue	資本化發行	2,400	(2,400)	-	-	-
Placing and offer of shares	配售及發售股份	982	26,511	-	-	27,493
Transaction costs attributable to issue of shares	發行股份應佔交易成本	-	(4,220)	-	-	(4,220)
At 28 February 2018 (unaudited)	於二零一八年 二月二十八日 (未經審核)	3,382	19,891	8,579	7,486	39,338

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 1. GENERAL INFORMATION

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on the GEM of The Stock Exchange since 19 July 2017. The Company was incorporated in the Cayman Islands as a private limited liability company on 28 October 2016. The addresses of the Company's registered office in the Cayman Islands and the headquarters and the principal place of business in Malaysia are P.O. Box 1350, Clifton House, 75 Fort Street, 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, who is the ultimate controlling party of the Company wholly owned 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.

The unaudited condensed consolidated 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.

### 1. 一般資料

本公司為於開曼群島註冊成立的公眾有限公司，其股份已自二零一七年七月十九日起於聯交所GEM上市。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私人有限公司。本公司於開曼群島的註冊辦事處地址以及總部及馬來西亞主要營業地點分別為P.O. Box 1350, Clifton House, 75 Fort Street, 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**")，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。

未經審核簡明綜合財務報表乃以馬來西亞令吉 ("**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)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 2. BASIS OF PREPARATION AND PRESENTATION

The unaudited condensed consolidated financial statements of the Group for the nine months ended 28 February 2018 have been prepared in accordance with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and the applicable disclosure requirements of the GEM Listing Rules.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The basis of preparation and accounting policies applied in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the annual report for the year ended 31 May 2017, except for the new and revised IFRSs. The condensed consolidated financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

### 2. 編製及呈列基準

本集團截至二零一八年二月二十八日止九個月的未經審核簡明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」）以及GEM上市規則的適用披露規定編製。

除若干金融工具按各報告期末的公平值計量外，未經審核簡明綜合財務報表已按歷史成本法編製。歷史成本一般按交換貨品及服務時給予代價的公平值計量。

編製未經審核簡明綜合財務報表所應用的編製基準及會計政策與截至二零一七年五月三十一日止年度的年報所應用者一致，惟新訂及經修訂國際財務報告準則除外。簡明綜合財務報表乃未經審核，但已由本公司審核委員會審閱。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 3. REVENUE

Revenue represents the invoiced values of goods sold during the report periods.

### 3. 收入

收入指報告期間已售貨品的發票價值。

		Three months ended 28 February		Nine months ended 28 February	
		截至二月二十八日止三個月		截至二月二十八日止九個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Manufacturing and trading	製造及貿易	6,057	6,586	17,787	21,063
Other building materials and services	其他建築材料及服務	3,652	1,231	7,771	3,457
		9,709	7,817	25,558	24,520

### 4. FINANCE COSTS

### 4. 融資成本

		Three months ended 28 February		Nine months ended 28 February	
		截至二月二十八日止三個月		截至二月二十八日止九個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Interest on finance leases	融資租賃利息	3	11	39	21
Interest on trust receipt loan	信託收據貸款利息	-	4	-	8
Interest on bank overdraft	銀行透支利息	1	4	4	12
Interest on term loan	定期貸款利息	-	-	-	9
		4	19	43	50

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 5. TAXATION

### 5. 稅項

		Three months ended 28 February		Nine months ended 28 February	
		截至二月二十八日止三個月		截至二月二十八日止九個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Malaysia corporate income tax:	馬來西亞企業所得稅：				
Current period	本期間	89	477	690	1,252
Under-provision in prior periods	過往期間撥備不足	44	-	44	27
Deferred tax	遞延稅項	-	-	-	50
Over-provision in prior periods	過往期間超額撥備	-	-	-	(15)
		<b>133</b>	<b>477</b>	<b>734</b>	<b>1,314</b>

Malaysia corporate income tax is calculated at the statutory tax rate of 18%–24% (Note) on the estimated assessable profits.

馬來西亞企業所得稅就估計應課稅溢利按法定稅率18%至24% (附註) 計算。

Note: Under the Income Tax Act 1967 of Malaysia, small and medium enterprises in Malaysia with paid-up capital amounting to RM2,500,000 or less are subject to income tax at the rate of 18% on chargeable income amounting to RM500,000 or less for the periods ended 28 February 2017 and 28 February 2018. For chargeable income in excess of RM500,000, the corporate income tax rate is 24% for the periods ended 28 February 2017 and 28 February 2018.

附註：根據馬來西亞一九六七年所得稅法，截至二零一七年二月二十八日及二零一八年二月二十八日止期間，繳足股本2,500,000令吉或以下的馬來西亞中小型企業須就最高為500,000令吉的應課稅收入按稅率18%繳納所得稅。至於超過500,000令吉的應課稅收入，截至二零一七年二月二十八日及二零一八年二月二十八日止期間，企業所得稅稅率為24%。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 6. (LOSS)/PROFIT FOR THE PERIOD 6. 期內(虧損)/溢利

		Three months ended 28 February		Nine months ended 28 February	
		截至二月二十八日止三個月		截至二月二十八日止九個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
(Loss)/profit for the period has been arrived at after charging (crediting):	期內(虧損)/溢利於扣除(計入)以下各項後達致:				
Auditors' remuneration	核數師酬金	31	14	285	42
Cost of inventories recognised as an expense	確認為開支的存貨成本	6,136	2,890	14,363	10,887
Staff costs, excluding Directors' remuneration	員工成本, 不包括董事酬金				
— Salaries, wages and other benefits	— 薪金、工資及其他利益	1,116	1,000	3,005	2,380
— Contribution to EPF	— 僱員公積金供款	112	95	277	210
		1,228	1,095	3,282	2,590
Minimum lease payments on rented land	所租賃土地的最低租金付款	120	110	360	320
Minimum lease payments on rented crane	所租賃起重機的最低租金付款	23	30	67	63
Depreciation of property, plant and equipment	物業、廠房及設備折舊	202	111	385	307
Depreciation of investment property	投資物業折舊	2	2	8	8
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	—	—	—	(13)
Bad debts written off/ (recovered)	已撇銷/(收回)壞賬	—	—	—	13
Rental income from investment property	投資物業租金收入	—	(5)	(1)	(16)
Interest income	利息收入	(7)	(6)	(30)	(48)
Unrealised loss (gain) on foreign exchange	未變現匯兌虧損(收益)	57	(3)	54	(12)

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 7. DIVIDEND

The Board does not recommend the payment of dividend for the nine months ended 28 February 2018 (2017: Nil).

### 7. 股息

截至二零一八年二月二十八日止九個月，董事會並無建議派付股息(二零一七年：無)。

### 8. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the following data:

### 8. 每股(虧損)/盈利

每股基本(虧損)/盈利乃根據下列數據計算：

	Three months ended 28 February		Nine months ended 28 February		
	截至二月二十八日止三個月 2018	2017	截至二月二十八日止九個月 2018	2017	
	二零一八年	二零一七年	二零一八年	二零一七年	
	RM'000	RM'000	RM'000	RM'000	
	千令吉	千令吉	千令吉	千令吉	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
(Loss)/Earnings for the purpose of basic (loss)/earnings per share ((loss)/profit for the period attributable to the owners)	用於計算擁有人應佔期內(虧損)/溢利每股基本(虧損)/盈利的(虧損)/盈利	268	(3,038)	(2,418)	(386)
	Number of shares	Number of shares	Number of shares	Number of shares	
	股份數目	股份數目	股份數目	股份數目	
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	用於計算每股基本(虧損)/盈利的普通股加權平均數	620,000,000	440,000,000	588,351,648	366,122,000

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the nine months ended 28 February 2018 截至二零一八年二月二十八日止九個月

### 8. (LOSS)/EARNINGS PER SHARE (CONTINUED)

The weighted average number of ordinary shares for the purpose of calculating basic (loss) earnings per share for the nine months ended 28 February 2018 and 2017, had been adjusted retrospectively assuming that the group reorganisation and the issue of shares upon capitalisation of the share premium account have been effective from 1 June 2016 and accordingly, the 440,000,000 ordinary shares of the Company which were in issue and outstanding immediately after the group reorganisation and share capitalisation were assumed to have been effective on 1 June 2016.

The calculation of the weighted average number of ordinary shares outstanding for the nine months ended 28 February 2018 also include the effect of the share offer of 180,000,000 new ordinary shares on the Listing Date.

No diluted earnings/(loss) per share information has been presented for either period as the Company has no potential ordinary shares outstanding during both periods.

### 8. 每股(虧損)/盈利(續)

用於計算截至二零一八年及二零一七年二月二十八日止九個月每股基本(虧損)盈利的普通股加權平均數已作出追溯調整，假設集團重組及於股份溢價賬資本化後發行股份自二零一六年六月一日起生效，據此，緊隨集團重組及股份資本化後已發行及發行在外的440,000,000股本公司普通股乃假設於二零一六年六月一日生效。

計算截至二零一八年二月二十八日止九個月發行在外的普通股加權平均數亦計及於上市日期股份發售180,000,000股新普通股的影響。

由於本公司於兩段期間並無發行在外的潛在普通股，故並無呈列當中任何一段期間的每股攤薄盈利/(虧損)資料。

# 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 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 also engages in trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia (the “**Other building materials and services business**”).

The Group has been a registered supplier or approved supplier of various notable telecommunication companies such as Celcom Axiata Berhad and Telekom Malaysia (“**Telekom**”) since 2008 and 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 the 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，免受天氣及地下高標轉變的影響，並提供通道方便維修。本集團亦於馬來西亞從事配件及管道貿易以及提供移動式起重機租賃及配套服務（「**其他建築材料及服務業務**」）。

本集團自二零零八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。

# Management Discussion and Analysis

## 管理層討論及分析

Looking forward, the Directors consider that the future opportunities and challenges facing by the Group will mainly depend on the construction works for utilities infrastructure and for newly developed districts. The Directors are of the view that the continued government interest and investment to expand power distribution, telecommunication, civil infrastructures coupled with the development of new commercial, industrial, and residential areas remains the key drivers and opportunities for the precast concrete telecommunication junction box and electrical junction box manufacturing industry in Malaysia. On the other hand, the Company's wholly-owned subsidiary, namely Target Precast Industries Sdn Bhd entered into a legally-binding Letter of Award with Telekom in respect of the supply and delivery of concrete junction boxes and junction box covers for a term of three years from 1 January 2017 to 31 December 2019. The formal agreement in this respect had been signed and returned to the Group as 1 August 2017 (the "**Formal Agreement**"). The Directors expect that the growth of the Group will be sustained by the Formal Agreement because it is the first agreement entered directly between the Group and Telekom without the involvement of contractors or subcontractors, therefore it allows the Group to capture a higher profit margin in the sales of its precast concrete junction boxes.

The management of the Group is looking for business and investment opportunities that will generate sustainable returns to the shareholders.

展望未來，董事認為，本集團所面對的日後機遇及挑戰主要取決於公用事業基建及新發展地區的建造工程。董事認為，政府對於擴大配電、電信、民用基建的持續興趣和投資，加上新商業、工業及住宅地區的發展，仍然是馬來西亞預製混凝土電信接線盒及電力接線盒製造行業的主要動力和機遇。另一方面，本公司全資附屬公司 Target Precast Industries Sdn Bhd 就供應及交付混凝土接線盒及接線盒蓋與 Telekom 訂立具法律約束力的中標函，自二零一七年一月一日至二零一九年十二月三十一日為期三年。就此簽署的正式協議已於二零一七年八月一日交回本集團（「**正式協議**」）。董事預期，本集團的增長將得到正式協議支持，原因為正式協議為本集團與 Telekom 之間直接訂立的首份協議，而當中並不涉及承包商或分包商，因此，本集團能在銷售預製混凝土接線盒方面獲得較高的利潤。

本集團管理層正物色可為股東帶來可持續回報的業務及投資機會。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

The revenue increased from approximately RM24.5 million for the nine months ended 28 February 2017 to approximately RM25.6 million for the nine months ended 28 February 2018, representing an increase of approximately 4.2%. Such increase was mainly due to the enhanced performance of the segment of other building materials and services business.

The Group's revenue generated from the manufacturing and trading business decreased by approximately 15.6%, from approximately RM21.1 million for the nine months ended 28 February 2017 to approximately RM17.8 million for the nine months ended 28 February 2018. The decrease was mainly caused by the delayed and the decreased in sales orders from several customers in the first half of the financial year. Moreover, orders were gradually picking up in this quarter and as a result the decrease has been narrowed in this quarter. It is expected that the revenue will continue to improve in the coming quarter.

For the other building materials and services business, revenue increased by approximately 124.8% from approximately RM3.5 million for the nine months ended 28 February 2017 to approximately RM7.8 million for the nine months ended 28 February 2018, which was mainly attributable to the increase in sales of scrap irons and pipes.

#### 財務回顧

#### 收入

收入由截至二零一七年二月二十八日止九個月約24.5百萬令吉上升至截至二零一八年二月二十八日止九個月約25.6百萬令吉，增幅約4.2%。有關增加主要由於其他建築材料及服務分部表現有所提升。

本集團的製造及貿易業務所產生的收入由截至二零一七年二月二十八日止九個月約21.1百萬令吉減少約15.6%至截至二零一八年二月二十八日止九個月約17.8百萬令吉。有關減少乃主要由於若干客戶的銷售訂單於財政年度上半年有所延遲及減少。然而，訂單於本季度逐步回升，收入減幅因而於本季度收窄，從而收入可望於來季持續改善。

於其他建築材料及服務業務方面，收入由截至二零一七年二月二十八日止九個月約3.5百萬令吉增加約124.8%至截至二零一八年二月二十八日止九個月約7.8百萬令吉，主要由於廢鐵及管道銷售上升。



# 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 increased from approximately RM16.3 million for the nine months ended 28 February 2017 to approximately RM19.5 million for the nine months ended 28 February 2018, representing an increase of approximately 19.8%. Such change was mainly attributable to the increase in material usage and sales of other building materials for the nine months ended 28 February 2018.

The Gross Profit decreased from approximately RM8.3 million for the nine months ended 28 February 2017 to approximately RM6.1 million for the nine months ended 28 February 2018. The decrease is mainly due to the decrease in sales orders in the manufacturing and trading business from the first half of the year.

### Administrative expenses

Administrative expenses of the Group increased by approximately RM2.7 million or 134.8% from approximately RM2 million for the nine months ended 28 February 2017 to approximately RM4.7 million for the nine months ended 28 February 2018.

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 the increase in staff costs paid to Directors and staff due to business expansion and audit fee and other professional costs in relation to the compliance with the GEM Listing Rules during the period.

### 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。銷售成本由截至二零一七年二月二十八日止九個月約16.3百萬令吉增加至截至二零一八年二月二十八日止九個月約19.5百萬令吉，增幅約19.8%。有關變動乃主要由於截至二零一八年二月二十八日止九個月的物料使用及其他建築材料銷售上升。

毛利由截至二零一七年二月二十八日止九個月約8.3百萬令吉減少至截至二零一八年二月二十八日止九個月約6.1百萬令吉。減少主要由於上半年度於製造及貿易業務銷售訂單減少。

### 行政開支

本集團的行政開支由截至二零一七年二月二十八日止九個月約2百萬令吉增加約2.7百萬令吉或134.8%至截至二零一八年二月二十八日止九個月約4.7百萬令吉。

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期內支付予與業務擔保有關之董事及員工的員工成本增加，以及與遵循GEM上市規則有關的審計費用及其他專業費用。

# Management Discussion and Analysis

## 管理層討論及分析

### Selling and distribution expenses

Selling and distribution expenses of the Group decreased by approximately RM0.3 million or 25.3% from approximately RM1.1 million for the nine months ended 28 February 2017 to approximately RM0.8 million for the nine months ended 28 February 2018.

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. The slight decrease of selling and distribution expenses was mainly due to the decrease in incentive bonus and commission associated with the decrease in sales of the manufacturing and trading business.

### Loss for the period

The Group recorded a net loss of approximately RM2.4 million for the nine months ended 28 February 2018 due to the net effect of (i) a non-recurring listing expenses of approximately RM2.4 million for its listing exercise during the three months ended 28 February 2018; (ii) the increase in the administrative expenses incurred by the Group for the nine months ended 28 February 2018; and (iii) the decrease in gross profit of the Group for the nine months ended 28 February 2018.

### 銷售及分銷開支

本集團的銷售及分銷開支由截至二零一七年二月二十八日止九個月約1.1百萬令吉減少約0.3百萬令吉或25.3%至截至二零一八年二月二十八日止九個月約0.8百萬令吉。

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娛樂開支。銷售及分銷開支輕微減少乃主要由於獎勵花紅及佣金減少所致，與製造及貿易業務銷售下跌有關。

### 期內虧損

本集團於截至二零一八年二月二十八日止九個月錄得淨虧損約2.4百萬令吉，乃由於以下各項的淨影響所致：(i)截至二零一八年二月二十八日止三個月就上市而產生的非經常性上市開支約2.4百萬令吉；(ii)截至二零一八年二月二十八日止九個月本集團產生的行政開支增加；及(iii)截至二零一八年二月二十八日止九個月本集團的毛利減少。

# Management Discussion and Analysis

## 管理層討論及分析

### LEGAL PROCEEDINGS

During the current period, there was one legal proceeding against the Company, details are as follow:

- (A) As disclosed in the Company's voluntary announcement dated 16 October 2017, Target Precast Industries Sdn Bhd and Target Foundry Sdn Bhd, both wholly-owned subsidiaries of the Group (the "**Subsidiaries**") were served with a writ of summons and a statement of claim filed by one Lum Tseng Engineering Sdn. Bhd. ("**Lum Tseng**") in the High Court of Malaya in Penang under Suit No. PA-22NCVC-206-10/2017 (the "**Suit 206**").

In Suit 206, Lum Tseng alleged that the Subsidiaries' products had infringed Patent No. MY-137345-A ("**Patent 345**"), a registered patent of precast concrete junction box cover purportedly held by Lum Tseng as a licensee (the "**Impugned Patent**") and Lum Tseng is claiming against the Subsidiaries for:

- (i) an injunction restraining the Subsidiaries from infringing the Impugned Patent;
- (ii) an order for the Subsidiaries to surrender or destroy all the products which infringed the Impugned Patent;
- (iii) general damages;
- (iv) exemplary damages of Malaysian Ringgit 1,000,000;
- (v) interest of 5% on damages from the filing date of the suit till the date of full payment; and
- (vi) costs of the action.

### 法律訴訟

於本期間，有一宗針對本公司的法律訴訟，詳情如下：

- (A) 誠如本公司日期為二零一七年十月十六日的自願性公告所披露，Target Precast Industries Sdn Bhd及Target Foundry Sdn Bhd (均為本集團的全資附屬公司(「**附屬公司**」))獲送達由Lum Tseng Engineering Sdn. Bhd. (「**Lum Tseng**」)向馬來西亞檳城高等法院提交的傳訊令狀以及申索陳述書，訴訟編號為PA-22NCVC-206-10/2017 (「**206號訴訟**」)。

於206號訴訟，Lum Tseng指稱，附屬公司的產品侵犯據稱由Lum Tseng (作為特許持有人)持有專利編號為MY-137345-A (「**專利345**」)的預製混凝土接線盒蓋註冊專利(「**受到質疑的專利**」)，而Lum Tseng正針對附屬公司提出以下申索：

- (i) 限制附屬公司侵犯受到質疑的專利的禁制令；
- (ii) 要求附屬公司交出或銷毀侵犯受到質疑的專利的所有產品的命令；
- (iii) 一般損害賠償；
- (iv) 懲罰性賠償1,000,000馬來西亞令吉；
- (v) 損害賠償自提起訴訟當日起直至悉數繳付當日按5%計算的利息；及
- (vi) 訴訟費用。

# Management Discussion and Analysis

## 管理層討論及分析

- (B) On 12 October 2017, Lum Tseng filed under Suit 206 an application seeking an interim injunction to restrain the Subsidiaries from infringing Patent 345. On 14 October 2017, the Subsidiaries filed an affidavit in reply and Lum Tseng withdrew its application for interim injunction on 6 December 2017.
- (B) 於二零一七年十月十二日，Lum Tseng 根據206號訴訟提出申請要求限制附屬公司侵犯專利345的臨時禁制令。於二零一七年十月十四日，附屬公司提交答辯誓章，而Lum Tseng於二零一七年十二月六日撤回臨時禁制令的申請。
- (C) On 26 October 2017, the Subsidiaries filed an application to strike out Suit 206 on the ground that Lum Tseng is not the registered owner of Patent 345 and Lum Tseng had failed to fulfil the statutory requirement to commence Suit 206 as a licensee of Patent 345. The application has been fixed for hearing on 18 January 2018.
- (C) 於二零一七年十月二十六日，附屬公司申請剔除206號訴訟，理由為Lum Tseng並非專利345的註冊擁有人，因此，Lum Tseng作為專利345的特許持有人，未能符合提出206號訴訟的法定要求。該申請已定於二零一八年一月十八日進行聆訊。
- (D) On 26 October 2017, the Subsidiaries also filed a writ of summons and a statement of claim in the High Court of Malaya in Penang under Suit No. WA-22IP-42-10/2017 ("**Suit 42**") against Lum Tseng and Loh Soo Tiak, the registered owners of Patent 345 and directors of Lum Tseng seeking for:
- (D) 於二零一七年十月二十六日，附屬公司亦針對Lum Tseng及Loh Soo Tiak以及專利345的註冊擁有人及Lum Tseng董事向馬來西亞檳城高等法院提交傳訊令狀以及申索陳述書，訴訟編號為WA-22IP-42-10/2017（「**42號訴訟**」），要求：
- (a) a declaration under Sections 56 and 57 of the Patents Act 1983 that Patent 345 is invalid;
- (a) 根據Patents Act 1983第56及57節宣告專利345無效；
- (b) an order that Patent 345 be invalidated and removed from the Register of Patents;
- (b) 頒令宣告專利345為無效及從專利權登記冊刪除；
- (c) a declaration that Subsidiaries are entitled to use and/or manufacture, market, distribute, offer for sale and/or sell their manhole covers without interference from the Lum Tseng and Loh Soo Tiak and/or their agents and/or nominees;
- (c) 宣告附屬公司有權且在不受Lum Tseng及Loh Soo Tiak及／或彼等的代理及／或代名人干擾的情況下，使用及／或生產、推廣、分銷、提呈發售及／或出售彼等的沙井蓋；

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- (d) a permanent injunction to restrain Lum Tseng and Loh Soo Tiak, whether jointly or severally and/or acting by themselves, or through their directors, officers, employees, servants, agents or assignees or otherwise from:
- (i) publishing and/or causing to be published, dissemination, printing and/or assisting in publication in any manner whatsoever defamatory statements that the Subsidiaries had infringed Patent 345 (“**Defamatory Statements**”) and/or any similar words defamatory of the Subsidiaries; and
- (ii) Conspiring to injure the Subsidiaries; and
- (iii) Unlawfully interfering with the Subsidiaries’ trade and business;
- (e) an order to compel Lum Tseng and Loh Soo Tiak, at its own costs cause to be published a letter to the third party:
- (i) a full and complete retraction of the Defamatory Statements above; and
- (ii) an apology in such terms as this Honourable Court deems fit;
- (f) general damages;
- (g) aggravated and/or exemplary damages;
- (d) 限制 Lum Tseng 及 Loh Soo Tiak (不論共同或個別地及／或自行或透過其董事、主管、僱員、受僱人、代理或承讓人或其他人士行事) 作出以下行為的永久性禁制令：
- (i) 以任何方式發佈及／或促成發佈、散佈、印刷及／或協助發佈有關附屬公司侵犯專利345的誹謗性陳述(「**誹謗性陳述**」)及／或任何誹謗附屬公司的類似詞彙；及
- (ii) 串謀損害附屬公司；及
- (iii) 非法干擾附屬公司的買賣及業務；
- (e) 發出命令強制 Lum Tseng 及 Loh Soo Tiak 自費向第三方刊發信件：
- (i) 完全撤回上述誹謗性陳述；及
- (ii) 按法院視為合適的方式道歉；
- (f) 一般損害賠償；
- (g) 加重性及／或懲罰性賠償金；

# Management Discussion and Analysis

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- |   |   |
|---|---|
| (h) interests on all such amounts as may be ordered to be paid by Lum Tseng and Loh Soo Tiak to the Subsidiaries; | (h) 就 Lum Tseng 及 Loh Soo Tiak 可能被下令向附屬公司支付的有關款項徵收利息； |
| (i) costs; and  | (i) 成本；及  |
| (j) Such further or other relief as the Court deems fit and proper to grant.                                      | (j) 法院視為合適且恰當授出的進一步或其他寬免。                             |
- (E) Lum Tseng and Loh Soo Tiak are required to file their statement of defence in Suit 42 on or before 15 January 2018.
- (E) Lum Tseng 及 Loh Soo Tiak 須於二零一八年一月十五日或之前就 42 號訴訟提交答辯書。

As stated in the Company's announcement dated on 12 February 2018, the Company has on 9 February 2018 received a sealed judgement of the Court dismissing the Legal Proceedings filed by the Lum Tseng. The Court also ordered Lum Tseng to pay to the Subsidiaries a sum of RM12,000 as legal costs.

誠如本公司日期為二零一八年二月十二日的公告所述，本公司於二零一八年二月九日收到法院經蓋封判決，駁回 Lum Tseng 提交的法律訴訟。法院亦下令 Lum Tseng 向附屬公司支付 12,000 馬來西亞令吉作為法律費用。

### **MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS, AND PLAN FOR MATERIAL INVESTMENT OR CAPITAL ASSETS**

Save for the reorganization in relation to the listing of the shares of the Company, there were no significant investment held, nor other material acquisitions and disposals of subsidiaries and affiliated companies during the nine months ended 28 February 2018. There is no specific future plan for material investments or capital assets as at the date of this report.

### **重大投資、收購及出售以及重大投資或資本資產計劃**

除就本公司股份上市而進行的重組外，於截至二零一八年二月二十八日止九個月，概無持有任何重大投資，或附屬公司及聯屬公司的其他重大收購及出售事項。於本報告日期，概無涉及重大投資或資本資產的未來具體計劃。

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### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 28 February 2018, 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:

### 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

於二零一八年二月二十八日，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 of Director/ Chief Executive	Capacity/Nature of Interest	Number of Shares	Percentage of the Company's issued share capital as at 28 February 2018 佔本公司於 二零一八年 二月二十八日 已發行股本 百分比
董事／主要行政人員姓名	身份／權益性質	股份數目	
Mr. Loh Swee Keong (Note 2)	Interest in controlled corporation	317,020,000 (L) (Note 1)	51.13%
Loh Swee Keong 先生 (附註2)	受控制法團權益	(附註1)	

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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.

Save for disclosed above, as at 28 February 2018, 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.

附註：

- (1) 英文字母(L)表示該人士於股份的好倉。
- (2) Merchant World Investments Limited 為於英屬處女群島註冊成立的公司，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。

除上文所披露者外，於二零一八年二月二十八日，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。



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

As at 28 February 2018, 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 and 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

於二零一八年二月二十八日，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或淡倉如下：

### Ordinary Shares of the Company

### 本公司普通股

Name	Capacity/Nature of Interest	Number of Shares	Percentage of the Company's issued share capital as at 28 February 2018 佔二零一八年二月二十八日本公司 已發行股本 百分比
姓名／名稱	身份／權益性質	股份數目	
Merchant World Investments Limited	Beneficial owner	317,020,000 (L) (Note 1)	51.13%
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	317,020,000 (L)	51.13%
Greater Elite Holdings Limited Greater Elite Holdings Limited	Beneficial owner 實益擁有人	122,980,000 (L)	19.84%
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	122,980,000 (L)	19.84%
Ms. Cheng Lai Wah Christina (Note 4) Cheng Lai Wah Christina 女士 (附註4)	Interest of spouse 配偶權益	122,980,000 (L)	19.84%

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Notes:

- (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.

Save for disclosed above, as at 28 February 2018, 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

The Group did not have any charge on its assets as at 28 February 2018 (2017: Nil).

附註：

- (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為於英屬處女群島註冊成立的公司，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) Cheng Lai Wah Christina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。

除上文所披露者外，於二零一八年二月二十八日，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。

### 本集團資產之抵押

於二零一八年二月二十八日，本集團並無抵押其任何資產（二零一七年：無）。

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### FOREIGN CURRENCY RISK

As most of the Group's transactions are denominated in Malaysian Ringgit and Hong Kong dollars, the Directors believe that the Group's exposure to exchange fluctuation was immaterial and the Group has not implemented any formal hedging or other alternative policies to deal with such exposure.

### CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 28 February 2018 (2017: Nil).

### CORPORATE GOVERNANCE PRACTICES

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 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 nine months ended 28 February 2018, in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

### 外幣風險

由於本集團大部分交易以馬來西亞令吉及港元計值，董事認為，本集團面對的匯兌波動風險並不重大，本集團亦無實施任何正式對沖或其他處理有關風險的替代政策。

### 或然負債

本集團於二零一八年二月二十八日概無或然負債(二零一七年：無)。

### 企業管治常規

根據企業管治守則(「企業管治守則」)守則條文A.2.1，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。鑑於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A.2.1在該情況下乃屬合適。

除上文所披露者外，截至二零一八年二月二十八日止九個月，董事認為，本集團一直遵守企業管治守則的守則條文。

# Management Discussion and Analysis

## 管理層討論及分析

### 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 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 grant of option.

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留聘最優秀的人員，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。購股權計劃將由授出購股權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。

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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 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.

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，因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。

授出購股權的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。

# Management Discussion and Analysis

## 管理層討論及分析

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.

### **DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES**

Other than as disclosed under the section "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).

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。

### **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、相關股份或債權證中持有任何權益或淡倉。

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### 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 enquiries 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 nine months ended 28 February 2018 and up 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 nine months ended 28 February 2018.

### DIRECTOR'S INTEREST OF COMPETING BUSINESS

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.

### 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二零一八年二月二十八日止九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

截至二零一八年二月二十八日止九個月，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。

### 董事於競爭業務的權益

董事確認，除本集團營運的業務外，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）在對本集團業務直接或間接構成或可能構成競爭的任何業務中擁有任何權益。

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### AUDIT COMMITTEE

The Group has established the 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 primary review financial statements of the Company and oversee internal control procedures of the Company.

The Audit Committee currently consists of three members namely, Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Lee, Alexander Patrick. The chairman of the Audit Committee is Mr. Chu Kin Ming.

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 nine months ended 28 February 2018 and is of the opinion that such statements complied with applicable standards, the GEM Listing Rules and that adequate disclosure had been made.

### 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程序。

審核委員會目前由三名成員組成，即邱家禧先生、朱健明先生及李明鴻先生。審核委員會主席為朱健明先生。

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二零一八年二月二十八日止九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。



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### INTEREST OF THE COMPLIANCE ADVISER

As notified by RHB Capital Hong Kong Limited (“**RHB Capital**”), compliance adviser of the Company, except for (i) RHB Capital’s participation as the sole sponsor in relation to the Listing; and (ii) the compliance adviser agreement entered into between the Company and RHB Capital dated 27 June 2017, neither RHB Capital nor any of its close associates (as defined in the GEM Listing Rules) and none of the directors or employees of RHB Capital had any interest in the share capital of our Company or any member of our Group (including options or rights to subscribe for such securities, if any) which is required to be notified to our Company pursuant to Rule 6A.32 of the GEM Listing Rules as of 28 February 2018.

By Order of the Board  
**SK Target Group Limited**  
**Loh Swee Keong**  
*Chairman*

Hong Kong, 10 April 2018

*As at the date of this report, the Executive Directors are Mr. Loh Swee Keong and Mr. Tan Cheng Siong; the Independent Non-executive Directors are Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Lee, Alexander Patrick.*

### 合規顧問的權益

誠如本公司合規顧問興業金融融資有限公司(「**興業金融融資**」)告知，於二零一八年二月二十八日，除(i)興業金融融資作為獨家保薦人參與上市；及(ii)本公司與興業金融融資訂立日期為二零一七年六月二十七日的合規顧問協議外，興業金融融資、其任何緊密聯繫人(定義見GEM上市規則)及興業金融融資的董事或僱員概無於本公司或本集團任何成員公司的股本中，擁有根據GEM上市規則第6A.32條須知會本公司的任何權益，當中包括認購有關證券的購股權或權利(如有)。

承董事會命  
**瑞強集團有限公司**  
主席  
**Loh Swee Keong** 先生

香港，二零一八年四月十日

於本報告日期，執行董事為Loh Swee Keong先生及Tan Cheng Siong先生；獨立非執行董事為邱家禧先生、朱健明先生及李明鴻先生。

**SK TARGET GROUP LIMITED**  
**瑞強集團有限公司**

