

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

2018
INTERIM REPORT
中期報告

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 & medium 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 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 & medium 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。有意投資的人士應了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。**GEM**的較高風險及其他特色表明**GEM**較適合專業及其他經驗豐富的投資者。

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內所載任何陳述有所誤導。

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

Room 101, 1/F,
Chung Nam Building,
1 Lockhart Road,
Wanchai, Hong Kong

EXECUTIVE DIRECTORS

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

Mr. Tan Cheng Siong
(resigned on 13 June 2018)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei
Mr. Chu Kin Ming
Mr. Lee, Alexander Patrick
(resigned on 3 December 2018)

Mr. Ma She Shing Albert
(appointed on 3 December 2018)

COMPANY SECRETARY

Ms. Chau Wing Kei, CPA
(resigned on 1 November 2018)
Mr. Leung Tze Wai, CPA
(appointed on 1 November 2018)

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
駱克道1號
中南大廈
1樓101室

執行董事

Loh Swee Keong 先生
(主席兼行政總裁)

Tan Cheng Siong 先生
(於二零一八年六月十三日辭任)

獨立非執行董事

邱家禧先生
朱健明先生
李明鴻先生
(於二零一八年十二月三日辭任)

馬希聖先生
(於二零一八年十二月三日獲委任)

公司秘書

周詠淇女士，註冊會計師
(於二零一八年十一月一日辭任)
梁子煒先生，註冊會計師
(於二零一八年十一月一日獲委任)

Corporate Information

公司資料

COMPLIANCE OFFICER

Mr. Tan Cheng Siong
(resigned on 13 June 2018)
Mr. Loh Swee Keong
(appointed on 13 June 2018)

AUDIT COMMITTEE

Mr. Chu Kin Ming (Chairman)
Mr. Yau Ka Hei
Mr. Lee, Alexander Patrick
(resigned on 3 December 2018)
Mr. Ma She Shing Albert
(appointed on 3 December 2018)

REMUNERATION COMMITTEE

Mr. Yau Ka Hei (Chairman)
Mr. Tan Cheng Siong
(resigned on 13 June 2018)
Mr. Chu Kin Ming
Mr. Loh Swee Keong
(appointed on 13 June 2018)

NOMINATION COMMITTEE

Mr. Loh Swee Keong (Chairman)
Mr. Yau Ka Hei
Mr. Lee, Alexander Patrick
(resigned on 3 December 2018)
Mr. Ma She Shing Albert
(appointed on 3 December 2018)

AUTHORIZED REPRESENTATIVE

Mr. Loh Swee Keong
Ms. Chau Wing Kei, CPA
(ceased to act on 1 November 2018)
Mr. Leung Tze Wai, CPA
(appointed on 1 November 2018)

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

合規主任

Tan Cheng Siong 先生
(於二零一八年六月十三日辭任)
Loh Swee Keong 先生
(於二零一八年六月十三日獲委任)

審核委員會

朱健明先生(主席)
邱家禧先生
李明鴻先生
(於二零一八年十二月三日辭任)
馬希聖先生
(於二零一八年十二月三日獲委任)

薪酬委員會

邱家禧先生(主席)
Tan Cheng Siong 先生
(於二零一八年六月十三日辭任)
朱健明先生
Loh Swee Keong 先生
(於二零一八年六月十三日獲委任)

提名委員會

Loh Swee Keong 先生(主席)
邱家禧先生
李明鴻先生
(於二零一八年十二月三日辭任)
馬希聖先生
(於二零一八年十二月三日獲委任)

授權代表

Loh Swee Keong 先生
周詠淇女士，註冊會計師
(於二零一八年十一月一日退任)
梁子煒先生，註冊會計師
(於二零一八年十一月一日獲委任)

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

Corporate Information

公司資料

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

STOCK CODE

8427

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

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 2018 (the “Interim Financial Statements”) 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」)以及二零一七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 three months and six months ended 30 November 2018 截至二零一八年十一月三十日止三個月及六個月

		Note 附註	Three months ended 30 November 截至十一月三十日止三個月		Six months ended 30 November 截至十一月三十日止六個月	
			2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)
Revenue	收入	5	6,620	8,351	14,939	15,849
Cost of sales	銷售成本		(5,007)	(6,808)	(11,261)	(12,034)
Gross profit	毛利		1,613	1,543	3,678	3,815
Other income	其他收入		79	102	334	153
Administrative expenses	行政開支		(1,706)	(1,667)	(4,025)	(3,068)
Selling and distribution expenses	銷售及分銷開支		(237)	(244)	(547)	(530)
Listing expenses	上市開支		-	(842)	-	(2,416)
Finance costs	融資成本	6	(3)	(30)	(8)	(39)
Loss before taxation	除稅前虧損	7	(254)	(1,138)	(568)	(2,085)
Taxation	稅項	8	(113)	(267)	(301)	(601)
Loss for the period	期內虧損		(367)	(1,405)	(869)	(2,686)
Other comprehensive income items that will not be reclassified to profit or loss:	將不會重新分類至損益的其他全面收入項目：					
Exchange differences arising on translation from functional currency to presentation currency	由功能貨幣換算為呈列貨幣產生的匯兌差額		8	-	234	-
Total comprehensive loss for the period	期內全面虧損總額		(359)	(1,405)	(635)	(2,686)
Loss per share	每股虧損					
— Basic (RM cents)	— 基本(仙令吉)	9	(0.06)	(0.23)	(0.14)	(0.47)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

		30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
Non-Current Assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	4,925	4,380
Investment property	投資物業	386	391
Deferred Tax Assets	遞延稅項資產	32	32
Total Non-Current Assets	非流動資產總值	5,343	4,803
Current Assets	流動資產		
Inventories	存貨	1,372	1,350
Receivables, deposits and prepayment	應收款項、按金及預付款	11 19,124	19,897
Amount owing from ultimate holding company	應收最終控股公司款項	12 9	9
Amount owing from a shareholder	應收股東款項	12 7	3
Tax recoverable	可收回稅項	628	369
Short-term bank deposits pledged with banks	抵押予銀行的短期銀行存款	13 1,018	401
Cash on hand and at bank	手頭及銀行現金	15,137	21,075
Total Current Assets	流動資產總值	37,295	43,104
Current Liabilities	流動負債		
Payables and accrued charges	應付款項及應計費用	14 5,346	9,937
Amount owing to a Director	應付董事款項	12 12	12
Tax payable	應付稅項	-	43
		5,358	9,992
Net Current Assets	淨流動資產	31,937	33,112
Total Assets Less Current Liabilities	總資產減流動負債	37,280	37,915

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

		30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
		Note 附註	
Non-Current Liabilities	非流動負債		
Deferred tax liabilities	遞延稅項負債	223	223
		223	223
Net Assets	淨資產	37,057	37,692
Capital and Reserves	股本及儲備		
Share capital	股本	15 3,382	3,382
Share premium	股份溢價	19,891	19,891
Other reserve	其他儲備	8,579	8,579
Translation reserve	匯兌儲備	(740)	(974)
Retained profits	保留溢利	5,945	6,814
		37,057	37,692

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 November 2018 截至二零一八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	Retained profits 保留溢利 RM'000 千令吉	Total 總計 RM'000 千令吉
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 loss for the period	期內虧損及全面虧損總額	-	-	-	-	(2,686)	(2,686)
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 30 November 2017 (unaudited)	於二零一七年 十一月三十日 (未經審核)	3,382	19,891	8,579	-	7,218	39,070

		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	Retained profits 保留溢利 RM'000 千令吉	Total 總計 RM'000 千令吉
At 31 May 2018 (audited)	於二零一八年 五月三十一日 (經審核)	3,382	19,891	8,579	(974)	6,814	37,692
Loss for the period	期內虧損	-	-	-	-	(869)	(869)
Exchange differences arising on translation from functional currency to presentation currency	由功能貨幣換算為呈列貨幣產生的匯兌差額	-	-	-	234	-	234
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	234	(869)	(635)
At 30 November 2018 (unaudited)	於二零一八年 十一月三十日 (未經審核)	3,382	19,891	8,579	(740)	5,945	37,057

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 November 2018 截至二零一八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	
		2018 二零一八年 RM'000 千令吉	2017 二零一七年 RM'000 千令吉
Net Cash Used In Operating Activities	經營活動所用現金淨額	(5,358)	(3,640)
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	19	22
Purchase of property, plant and equipment	購買物業、廠房及設備	(878)	(691)
Proceed from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	-	103
(Advanced to)/Repayment from a shareholder	(向股東墊款)/股東還款	(4)	4
Repayment from ultimate holding company	最終控股公司還款	-	3
Net Cash Used In Investing Activities	投資活動所用現金淨額	(863)	(559)
FINANCING ACTIVITIES	融資活動		
Finance costs paid	已付融資成本	(8)	(37)
Repayment of finance leases	償還融資租賃	-	(469)
Increase in short term bank deposits pledged	有抵押短期銀行存款增加	(617)	-
Proceeds from issuance of shares	發行股份所得款項	-	27,493
Transaction costs attributable to issue of shares	發行股份應佔交易成本	-	(4,220)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 November 2018 截至二零一八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	
		2018 二零一八年 RM'000 千令吉	2017 二零一七年 RM'000 千令吉
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	融資活動(所用)/所得現金淨額	(625)	22,767
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額	(6,846)	18,568
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	21,075	7,248
Effects of exchange rate changes on the balance of cash held in foreign currency	匯率變動對外幣現金結餘的影響	908	77
CASH AND CASH EQUIVALENTS AT END OF YEAR REPRESENTED BY	年末現金及現金等價物，	15,137	25,893
Cash on hand and at bank	指手頭及銀行現金	15,137	25,893

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

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 headquarters and 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. The principal place of business in Hong Kong is Room 101, 1/F, Chung Nam Building, 1 Lockhart road, Wanchai, Hong Kong.

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. Merchant World is wholly-owned by Mr. Loh Swee Keong.

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 Japanese catering service in Hong Kong.

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一家私人有限公司。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。香港主要營業地點位於香港灣仔駱克道1號中南大廈1樓101室。

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。Merchant World由Loh Swee Keong先生全資擁有。

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以及於香港從事日本餐廳業務。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

2. BASIS OF PREPARATION AND PRESENTATION

The unaudited consolidated financial statements of the Group for the six months ended 30 November 2018 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 2018 (the “2018 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 2018. 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 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 2018 Annual Financial Statements.

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.

2. 編製及呈列基準

本集團截至二零一八年十一月三十日止六個月的未經審核綜合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。

除採納於二零一八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二零一八年五月三十一日止年度的年報(「二零一八年年度財務報表」)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本期間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。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，並應與二零一八年年度財務報表一併閱讀。

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)。

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3. APPLICATION OF NEW AND REVISED IFRSs

In the current period, the Group has adopted the following new and revised IFRSs, which are effective for the Group's accounting period beginning on or after 1 June 2018.

IFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014)
IFRS 15	Revenue from Contract with Customers (and the related Clarifications)
IFRIC 22	Foreign Currency Transactions and Advance Consideration
Amendments to:	
IFRS 2	Classification and Measurement of Share- based Payment Transactions
IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
IAS 40	Transfers of Investment Property
IFRSs	Annual Improvements to IFRSs 2014-2016 Cycle

The adoption of the new and revised IFRSs in the current period has had no material effect on the Group's financial performance and positions for the current period and prior accounting periods and the disclosures set out in the Interim Financial Statements.

3. 應用新訂及經修訂國際財務報告準則

於本期間，本集團已採納以下於二零一八年六月一日或之後開始的本集團會計期間生效的新訂及經修訂國際財務報告準則。

國際財務報告準則 第9號	金融工具(國際會計準則 理事會於二零一四年 七月頒佈的國際財務 報告準則第9號)
國際財務報告準則 第15號	來自客戶合約的收入 (及相關澄清)
國際財務報告詮釋 委員會詮釋第22 號	外幣交易及預先交收代價
下列準則的修訂：	
國際財務報告準則 第2號	以股份為基礎付款的交易 的分類及計量
國際財務報告準則 第4號	與國際財務報告準則 第4號保險合約一併 應用國際財務報告準則 第9號金融工具
國際會計準則 第40號	轉讓投資物業
國際財務報告準則	國際財務報告準則二零 一四年至二零一六年 週期的年度改進

於本期間採納新訂及經修訂國際財務報告準則對本集團本期或過往會計期間的財務表現及狀況以及中期財務報表所載的披露並無重大影響。

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4. 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 2018 Annual Financial Statements.

5. 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;
- (b) Other building materials and services — trading of accessories and pipes and provision of mobile crane rental and ancillary services; and
- (c) Japanese catering services — provision of Japanese catering services.

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

4. 估計

管理層在編製中期財務報表時需作出判斷、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及估計不確定因素的主要來源時所作出的重大判斷與編製二零一八年年度財務報表所應用者相同。

5. 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；
- (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；及
- (c) 日本餐廳 — 提供日料服務。

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。

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For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

5. REVENUE AND SEGMENTAL INFORMATION (CONTINUED) Segment revenues and results Six months ended 30 November 2018 (unaudited)

5. 收入及分部資料(續)

分部收入及業績
截至二零一八年十一月三十日
止六個月(未經審核)

		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	Japanese catering services 日本餐廳 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入				
External sales	外部銷售	9,580	3,834	1,525	14,939
Inter-segment sales	分部間銷售	3,120	575	-	3,695
Segment revenue	分部收入	12,700	4,409	1,525	18,634
Elimination	抵銷				(3,695)
Group revenue	集團收入				14,939
Segment result	分部業績	2,500	228	950	3,678
Administrative expenses	行政開支				(4,025)
Selling and distribution expenses	銷售及分銷開支				(547)
Finance costs	融資成本				(8)
Other income	其他收入				334
Loss before taxation	除稅前虧損				(568)

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簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

5. REVENUE AND SEGMENTAL INFORMATION (CONTINUED) Segment revenues and results (Continued) Six months ended 30 November 2017 (unaudited)

5. 收入及分部資料(續)

分部收入及業績(續)

截至二零一七年十一月三十日止六個月(未經審核)

		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	11,729	4,120	15,849
Inter-segment sales	分部間銷售	3,534	736	4,270
Segment revenue	分部收入	15,263	4,856	20,119
Elimination	抵銷			(4,270)
Group revenue	集團收入			15,849
Segment result	分部業績	3,764	51	3,815
Administrative expenses	行政開支			(3,068)
Selling and distribution expenses	銷售及分銷開支			(530)
Listing expenses	上市開支			(2,416)
Finance costs	融資成本			(39)
Other income	其他收入			153
Loss before taxation	除稅前虧損			(2,085)

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5. 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.

6. FINANCE COSTS

5. 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。

6. 融資成本

	Three months ended 30 November 截至十一月三十日止三個月		Six months ended 30 November 截至十一月三十日止六個月	
	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)
Interest expense on:				
Finance leases				
Trust receipt loan				
Bank overdraft				
Commitment fees				
	3	30	8	39

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7. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging/(crediting):

7. 期內虧損

期內虧損於扣除/(計入)以下各項後達致：

		Three months ended 30 November 截至十一月三十日止三個月		Six months ended 30 November 截至十一月三十日止六個月	
		2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)
Auditor remuneration	核數師薪酬	127	91	252	176
Cost of inventories recognised as an expense	確認為開支的存貨成本	3,683	4,935	7,701	8,457
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	1,214	893	2,661	1,850
— Contribution to EPF	— 僱員公積金供款	93	73	196	156
		1,307	966	2,857	2,006
Minimum lease payments on:	以下各項的最低租賃付款：				
Factory	工廠	120	120	240	240
Crane	起重機	4	19	8	45
Shop	店鋪	161	—	328	—
Staff accommodation	員工宿舍	5	5	10	10
Office equipment	辦公室設備	6	2	8	4
Depreciation on:	以下各項折舊：				
Property, plant and equipment	物業、廠房及設備	173	120	334	243
Investment property	投資物業	3	3	5	5
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	—	11	—	11
Unrealised loss/(gain) on foreign exchange	未變現匯兌虧損/(收益)	113	47	(673)	(3)
Interest income	利息收入	(10)	(18)	(19)	(24)
Rental income from investment property	投資物業的租金收入	—	—	—	(1)

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8. TAXATION

8. 稅項

	Three months ended 30 November		Six months ended 30 November	
	截至十一月三十日止三個月	截至十一月三十日止六個月	截至十一月三十日止三個月	截至十一月三十日止六個月
	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	113	267	301	601
Underprovision in prior periods 過往期間撥備不足	-	-	-	-
Deferred tax: 遞延稅項:				
	113	267	301	601

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

Note:

Under the Income Tax Act, 1967 of Malaysia, small and medium sized enterprises in Malaysia with paid-up capital amounting to RM2,500,000 or less are subject to income tax at the rate of 18% for the periods ended 30 November 2017 and 30 November 2018, on chargeable income amounting to RM500,000 or less. For chargeable income in excess of RM500,000, the corporate income tax rate is 24% for the periods ended 30 November 2017 and 30 November 2018 respectively.

馬來西亞企業所得稅率就估計應課稅溢利按18%至24%的法定稅率計算。

附註:

根據馬來西亞一九六七年所得稅法，截至二零一七年十一月三十日及二零一八年十一月三十日止期間，於馬來西亞擁有繳足股本2,500,000令吉或以下的中小型企業須分別按稅率18%就最高為500,000令吉的應課稅收入繳納所得稅。至於超過500,000令吉的應課稅收入，截至二零一七年十一月三十日及二零一八年十一月三十日止期間，企業所得稅稅率分別為24%。

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9. LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

9. 每股虧損

每股基本虧損乃根據下列數據計算：

	Three months ended 30 November 截至十一月三十日止三個月		Six months ended 30 November 截至十一月三十日止六個月	
	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)	2018 二零一八年 RM'000 千令吉 (unaudited) (未經審核)	2017 二零一七年 RM'000 千令吉 (unaudited) (未經審核)
Loss for the purpose of basic Loss per share for the period attributable to the owners of the Company				
用於計算本公司 擁有人應佔期內 每股基本虧損的 虧損	(0.06)	(0.23)	(0.14)	(0.47)

	Number of shares 股份數目	Number of shares 股份數目	Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	620,000,000	620,000,000	620,000,000	572,786,885

For the six months ended 30 November 2017, the weighted average number of ordinary shares for the purpose of calculating basic loss per share has been determined on the assumption that the Reorganisation and the capitalisation on issue of share to the consolidated financial statements has been effective on 1 June 2015.

No diluted loss per share information has been presented for the six months ended 30 November 2018 and 2017 as there were no potential ordinary shares outstanding during both periods.

截至二零一七年十一月三十日止六個月，用於計算每股基本虧損的普通股加權平均數乃假設綜合財務報表所述重組及資本化發行股份已於二零一五年六月一日生效而釐定。

由於截至二零一八年及二零一七年十一月三十日止六個月期間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虧損的資料。

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9. LOSS PER SHARE (CONTINUED)

For the six months ended 30 November 2018, the weighted average number of ordinary shares for the purpose of calculating basic loss per share has been determined on the assumption that the Reorganisation and the capitalisation on issue of share to the unaudited condensed consolidated financial statements has been effective on 1 June 2015.

10. DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended 30 November 2018 (30 November 2017: Nil).

11. RECEIVABLES, DEPOSITS AND PREPAYMENT

9. 每股虧損(續)

截至二零一八年十一月三十日止六個月，用於計算每股基本虧損的普通股加權平均數乃假設未經審核簡明綜合財務報表所述重組及資本化發行股份已於二零一五年六月一日生效而釐定。

10. 股息

截至二零一八年十一月三十日止六個月，董事會並無建議派付股息(二零一七年十一月三十日：無)。

11. 應收款項、按金及預付款

	30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
Trade receivables	18,206	18,724
Less: Allowance for doubtful debts	(120)	(373)
	18,086	18,351
Other receivables	59	550
Deposits	713	595
Prepayments	266	324
Advance to suppliers	-	77
	19,124	19,897

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11. 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 doubtful debts) presented based on the invoice date.

11. 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(減呆賬撥備)的賬齡分析。

		30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
1-30 days	1至30日	5,961	5,787
31-60 days	31至60日	3,341	4,298
61-90 days	61至90日	1,434	3,309
91-120 days	91至120日	1,111	1,812
More than 120 days	120日以上	6,239	3,145
		18,086	18,351

12. AMOUNTS OWING FROM/(TO) A DIRECTOR, ULTIMATE HOLDING COMPANY AND A SHAREHOLDER

The amounts owing from/(to) a Director, Mr. Loh Swee Keong, is non-trade nature, unguaranteed, unsecured, interest-free and repayable on demand. The amount owing to a Director of RM12,000 as at 30 November 2017 and 30 November 2018 represents expenses paid on behalf of the Director.

12. 應收/(應付)董事、最終控股公司及股東款項

應收/(應付)董事 Loh Swee Keong 先生款項為非貿易性質、無擔保、無抵押、免息及須按要求償還。於二零一七年十一月三十日及二零一八年十一月三十日，應付董事款項12,000令吉的金額指代表董事支付開支。

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簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

12. AMOUNTS OWING FROM/(TO) A DIRECTOR, ULTIMATE HOLDING COMPANY AND A SHAREHOLDER (CONTINUED)

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.

13. SHORT TERM BANK DEPOSITS PLEDGED WITH BANKS

Short term bank deposits with an original maturity of three months or less carry interest at prevailing market rate of ranging from 2.95% to 3.20% and 3.15% per annum as at 31 May 2018 and 30 November 2018 respectively. The short term bank deposits are pledged to secure general banking facilities granted to the Group.

14. PAYABLES AND ACCRUED CHARGES

12. 應收／(應付)董事、最終控股公司及股東款項(續)

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。

13. 抵押予銀行的短期銀行存款

於二零一八年五月三十一日及二零一八年十一月三十日，原定到期日為三個月或以下的短期銀行存款乃按當前市場年利率分別介乎2.95%至3.20%及3.15%計息。短期銀行存款已質押作為授予本集團的一般銀行融資的抵押。

14. 應付款項及應計費用

	30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
Trade payables	3,297	8,143
Accrued charges	1,123	993
Other payables	912	712
Advance from customers	-	78
Customer's deposits	14	11
	5,346	9,937

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

14. PAYABLES AND ACCRUED CHARGES (CONTINUED)

The following is an aged analysis of trade payables presented based on the invoice dates.

14. 應付款項及應計費用(續)

以下為按發票日期呈列的貿易應付款項的賬齡分析。

		30 November 2018 二零一八年 十一月三十日 RM'000 千令吉 (unaudited) (未經審核)	31 May 2018 二零一八年 五月三十一日 RM'000 千令吉 (audited) (經審核)
1-30 days	1至30日	1,233	1,932
31-60 days	31至60日	1,616	3,141
61-90 days	61至90日	263	2,360
91-120 days	91至120日	135	462
Over 120 days	120日以上	50	248
		3,297	8,143

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 Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 November 2018 截至二零一八年十一月三十日止六個月

15. SHARE CAPITAL

The share capital as at 30 November 2018 represented the issued share capital of the Company. Pursuant to the Reorganisation, the Company became the holding company of the companies now comprising the Group on 11 November 2016.

15. 股本

於二零一八年十一月三十日的股本相當於本公司已發行股本。根據重組，本公司於二零一六年十一月十一日成為目前組成本集團的公司的控股公司。

		Number of shares	Share capital	
		股份數目	股本	
		'000	HK\$'000	RM'000
		千股	千港元	千令吉
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股			
Authorised:	法定：			
At 31 May 2018 and at 30 November 2018	於二零一八年五月三十一日及於二零一八年十一月三十日	10,000,000	100,000	
Issued and fully paid:	已發行及繳足：			
At 31 May 2018 and at 30 November 2018	於二零一八年五月三十一日及於二零一八年十一月三十日	620,000	6,200	3,382

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。

16. EVENT AFTER REPORTING PERIOD

There are no significant events which have taken place subsequent to 30 November 2018.

16. 報告期後事項

於二零一八年十一月三十日後並無發生重大事項。

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 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 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.

For the six months ended 30 November 2018, the revenue of the Group decreased by approximately 5.7% due to decrease in the revenue generated from the manufacturing and trading business.

The overall market condition of the precast concrete junction box industry (i.e. the industry in relation to the manufacturing of both precast concrete telecommunication junction box and precast concrete electrical junction box) in Malaysia was relative stable in the last financial year. However, following a change in the Malaysian Government in May 2018, there are changes in policies to fulfill the election mandates of Mr. Mahathir Mohamad, the Prime Minister. The potential changes in policies may create more uncertainty to the growth of the economy of Malaysia in the foreseeable future. Moreover, other factors which include labour shortage and dependency on foreign workers, and the rising production and transportation costs may exert 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（「**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。

截至二零一八年十一月三十日止六個月，本集團的收入減少約5.7%，此乃由於製造及貿易業務所產生的收入減少。

於上個財政年度，馬來西亞預製混凝土接線盒行業(即與製造預製混凝土電信接線盒及預製混凝土電力接線盒有關的行業)的整體市況相對穩定。然而，隨著二零一八年五月馬來西亞的政府更替，政策已發生變動以完成總理馬哈蒂爾·穆罕默德(Mahathir Mohamad)先生的選舉任務。政策的潛在變動可能於可預見的將來為馬來西亞的經濟增速帶來更多變數。此外，勞工短缺、倚賴外勞以及生產及運輸成本上升等其他因素可能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 decreased from approximately RM15.8 million for the six months ended 30 November 2017 to approximately RM14.9 million for the six months ended 30 November 2018, representing a decrease of approximately 5.7%. Such decrease was mainly due to the decrease of the revenue generated from the manufacturing and trading business.

Following the change in Malaysian Government in May 2018, which caused uncertainty to Malaysia's whole economy, the demand and orders for the Group's precast junction boxes dropped compared to last year same period. As a result, the revenue generated from the manufacturing and trading business decreased by approximately 18.3% from approximately RM11.7 million for the six months ended 30 November 2017 to approximately RM9.6 million for the six months ended 30 November 2018.

Moreover, the Group's revenue generated from the trading of accessories and pipes and the provision of mobile crane rental and ancillary services decreased by approximately 6.9%, from approximately RM4.1 million for the six months ended 30 November 2017 to approximately RM3.8 million for the six months ended 30 November 2018. The decrease was mainly caused by the decrease in sales of scrap iron.

The Japanese catering services generated approximately RM1.5 million income to the Group for the six months ended 30 November 2018.

財務回顧

收入

收入由截至二零一七年十一月三十日止六個月約15.8百萬令吉減少至截至二零一八年十一月三十日止六個月約14.9百萬令吉，跌幅約5.7%。有關減少乃主要由於製造及貿易業務所產生的收入下降所致。

二零一八年五月馬來西亞政府更替後，對馬來西亞的整體經濟產生不確定性，本集團預製接線盒的需求及訂單相比去年同期下滑。因此，製造及貿易業務所得的收入由截至二零一七年十一月三十日止六個月的約11.7百萬令吉減少約18.3%至截至二零一八年十一月三十日止六個月的約9.6百萬令吉。

此外，本集團的配件及管道貿易以及提供移動式起重機租賃及配套服務所產生的收入由截至二零一七年十一月三十日止六個月約4.1百萬令吉減少約6.9%至截至二零一八年十一月三十日止六個月約3.8百萬令吉。有關減少乃主要由於廢鐵銷售下降所致。

截至二零一八年十一月三十日止六個月，日本餐廳為本集團產生約1.5百萬令吉的收入。

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; (iv) crane hiring costs and (v) food costs. The cost of sales decreased from approximately RM12.0 million for the six months ended 30 November 2017 to approximately RM11.3 million for the six months ended 30 November 2018, decrease of approximately 6.4%. Such change was mainly attributable to the decrease in sales of precast junction boxes for the six months ended 30 November 2018.

The Gross Profit slightly decreased from approximately RM3.8 million for the six months ended 30 November 2017 to approximately RM3.7 million for the six months ended 30 November 2018.

Administrative expenses

Administrative expenses of the Group increased by approximately RM1.0 million or 31.2% from approximately RM3.1 million for the six months ended 30 November 2017 to approximately RM4.0 million for the six months ended 30 November 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 other cost associated with the development of Japanese catering services.

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；(iv)起重機租用成本；及(v)食品成本。銷售成本由截至二零一七年十一月三十日止六個月約12.0百萬令吉減少至截至二零一八年十一月三十日止六個月約11.3百萬令吉，降幅約6.4%。有關變動乃主要由於截至二零一八年十一月三十日止六個月的預製接線盒銷售下降所致。

毛利由截至二零一七年十一月三十日止六個月約3.8百萬令吉輕微減少至截至二零一八年十一月三十日止六個月約3.7百萬令吉。

行政開支

本集團的行政開支由截至二零一七年十一月三十日止六個月約3.1百萬令吉增加約1.0百萬令吉或31.2%至截至二零一八年十一月三十日止六個月約4.0百萬令吉。

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支付予董事及員工的員工成本增加，原因為業務擴展以及與發展日本餐廳有關的其他成本。

Management Discussion and Analysis

管理層討論及分析

Selling and distribution expenses

Selling and distribution expenses of the Group increased slightly by approximately RM17,000 or 3.2% from approximately RM0.53 million for the six months ended 30 November 2017 to approximately RM0.55 million for the six months ended 30 November 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 increase of selling and distribution expenses was mainly due to the increase of staff cost.

Loss for the period

The Group recorded a net loss of approximately RM0.87 million for the six months ended 30 November 2018 due to the net effect of (i) the increase in the administrative expenses incurred by the Group for the six months ended 30 November 2018; (ii) the decrease in revenue of the Group for the six months ended 30 November 2018; and (iii) the slight decrease in the cost of sales of the Group for the six months ended 30 November 2018.

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

There were no significant investment held, nor other material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 November 2018.

Save as disclosed in the section headed "Future plans and use of proceeds" in the Prospectus, there is no specific future plan for material investment or capital assets as at 30 November 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十一月三十日止六個月約0.53百萬令吉輕微增加約17,000令吉或3.2%至截至二零一八年十一月三十日止六個月約0.55百萬令吉。

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。銷售及分銷開支輕微增加乃主要由於員工成本增加。

期內虧損

本集團於截至二零一八年十一月三十日止六個月錄得淨虧損約0.87百萬令吉，乃由於以下各項的淨影響所致：(i)截至二零一八年十一月三十日止六個月本集團產生的行政開支增加；(ii)截至二零一八年十一月三十日止六個月本集團的收入減少；及(iii)截至二零一八年十一月三十日止六個月本集團的銷售成本輕微下降。

重大投資、收購及出售以及重大投資或資本資產計劃

於截至二零一八年十一月三十日止六個月，概無持有任何重大投資，或附屬公司及聯營公司的其他重大收購及出售事項。

除招股章程「未來計劃及所得款項用途」一節所披露外，於二零一八年十一月三十日，概無重大投資或資本資產的特定未來計劃。

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LIQUIDITY AND FINANCIAL RESOURCES

As at 30 November 2018, the Group's cash and cash equivalents was approximately RM15.1 million (31 May 2018: approximately RM21.5 million).

As at 30 November 2018, the Group's had no borrowings (31 May 2018: Nil).

As at 30 November 2018, the Group's current ratio was 6.96 (31 May 2018: 4.3), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was nil as at 30 November 2018 (31 May 2018: 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.

CAPITAL STRUCTURE

The shares of the Company were successfully listed on the GEM Board of the Stock Exchange on 19 July 2017. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 30 November 2018, the share capital and equity attributable to owners of the Company amounted to approximately RM3.4 million and approximately RM33.7 million respectively (31 May 2018: RM3.4 and RM34.3 million respectively).

CAPITAL COMMITMENTS

As at 30 November 2018, the Group had no capital commitments (31 May 2018: Nil).

流動資金及財務資源

於二零一八年十一月三十日，本集團的現金及現金等價物約為15.1百萬令吉(二零一八年五月三十一日：約21.5百萬令吉)。

於二零一八年十一月三十日，本集團並無借款(二零一八年五月三十一日：無)。

於二零一八年十一月三十日，本集團的流動比率為6.96倍(二零一八年五月三十一日：4.3倍)，乃按總流動資產除以總流動負債計算。於二零一八年十一月三十日，資本負債比率為零(二零一八年五月三十一日：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。

資本架構

本公司股份於二零一七年七月十九日在聯交所GEM成功上市。本集團的資本架構自此概無變動。本集團的股本僅以普通股組成。

於二零一八年十一月三十日，本公司擁有人應佔股本及股權分別約為3.4百萬令吉及約33.7百萬令吉(二零一八年五月三十一日：分別為3.4令吉及34.3百萬令吉)。

資本承擔

於二零一八年十一月三十日，本集團並無資本承擔(二零一八年五月三十一日：無)。

Management Discussion and Analysis

管理層討論及分析

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

As at 30 November 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

於二零一八年十一月三十日，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 30 November 2018 佔本公司於 二零一八年 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	股份數量	
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	238,620,000 (L) (Note 1) (附註1)	38.49%

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管理層討論及分析

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 30 November 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。

除上文所披露者外，於二零一八年十一月三十日，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任何權益及／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。

Management Discussion and Analysis

管理層討論及分析

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

As at 30 November 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 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

於二零一八年十一月三十日，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：

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 30 November 2018 佔本公司於二零一八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	股份數量	
Merchant World Investments Limited	Beneficial owner	238,620,000 (L) (Note 1)	38.49%
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	238,620,000 (L)	38.49%
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%
Mr. Fung Tak, Andrew 馮達先生	Beneficial owner 實益擁有人	38,440,000 (L)	6.26%
Ms. Lo Pui Chu, Amy (Note 5) 盧佩珠女士(附註5)	Interest of spouse 配偶權益	38,440,000 (L)	6.26%

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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.
- (5) Ms. Lo Pui Chu, Amy is the spouse of Mr. Fung Tak, Andrew and is deemed, or taken to be interested in all the Shares in which Mr. Fung Tak, Andrew has interest under the SFO.

Save for disclosed above, as at 30 November 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

As at 30 November 2018, the Group had bank deposits pledged with banks totalling approximately RM1.1 million (31 May 2018: approximately RM0.4 million). These deposits were pledged to secure general banking facilities granted to the Group.

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，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。
- (5) 盧佩珠女士為馮達先生的配偶，根據證券及期貨條例，彼被視為或當作於馮達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

於二零一八年十一月三十日，本集團抵押予銀行的銀行存款合共約為1.1百萬令吉（二零一八年五月三十一日：約0.4百萬令吉）。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。

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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 2018 (six months ended 30 November 2017: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 November 2018, we had 89 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 an employee’s salary based on each 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.

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

截至二零一八年十一月三十日止六個月，董事會並無建議派付中期股息(截至二零一七年十一月三十日止六個月：無)。

僱員及薪酬政策

於二零一八年十一月三十日，我們有89名僱員在馬來西亞及香港特別行政區。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。

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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 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").

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.

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。

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。本集團面臨信貸風險及流動資金風險。

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USE OF PROCEEDS FROM THE SHARE OFFER

The shares of the Company were listed on 19 July 2017 on the GEM by Share Offer. The Offer Price was HK\$0.28 per Offer Share. 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 utilised up to the date of report in accordance with the proposed applications set out in the section "Net Proceeds from The Share Offer" of the announcement "Offer Price and Allotment Results". The table below lists out the applications of the net proceeds and usage up to the date of report.

During the review period, the Group has applied the net proceeds as follow:

股份發售所得款項的用途

本公司股份於二零一七年七月十九日以股份發售方式在GEM上市。發售價為每股發售股份0.28港元。本公司自股份發售收取的所得款項淨額(扣除包銷費用及其他開支後)約為29.6百萬港元。

直至報告日期，上市所得款項淨額尚未根據「發售價及配發結果」公佈中的「股份發售所得款項淨額」一節所載的擬定用途悉數動用。下表載列直至報告日期所得款項淨額的用途及使用情況。

於回顧期間，本集團已按下文動用所得款項淨額：

		Net proceeds from the share offer	Amount utilised up to 30 November 2018	Unutilised balance up to 30 November 2018
		股份發售所得款項淨額	直至二零一八年十一月三十日已動用金額	直至二零一八年十一月三十日未動用結餘
		HK\$ million	HK\$ million	HK\$ million
		百萬港元	百萬港元	百萬港元
Expansion of production capacity through (i) expanding our Selangor Plant;	透過以下方式擴大產能 (i) 擴充雪蘭莪廠房；	7.0	2.2	4.8
				Note 附註b&d
(ii) completing the establishment of our new Kulajaya Plant; and	(ii) 完成建立新古來再也廠房；及	7.3	1.1	6.2
				Note 附註c&d
(iii) recruiting new staff	(iii) 招聘新員工	2.6	0.3	2.3
				Note 附註e
Acquisition of a parcel of land in Southern Malaysia	收購馬來西亞南部的地塊	8.4	-	8.4
				Note 附註f
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我們的業務	2.7	-	2.7
				Note 附註g
Expansion of our sales and marketing team	擴大銷售及市場推廣團隊	0.8	0.3	0.5
				Note 附註h
General working capital	一般營運資金	0.8	0.8	-
Total	總計	29.6	4.7	24.9

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Notes:

附註：

- (a) The unused Listing proceeds have been deposited in licensed banks in Malaysia and Hong Kong.
- (a) 未動用上市所得款項已存放於馬來西亞及香港持牌銀行。
- (b) A sum of approximately HK\$4.8 million has not been utilised as at 30 November 2018. The Group intends to use up this sum for expanding our Existing Selangor Plant by 30 November 2019.
- (b) 金額約4,800,000港元於二零一八年十一月三十日尚未動用。本集團擬於二零一九年十一月三十日前將全部此項金額用作擴張我們的現有雪蘭莪廠房。
- (c) A sum of approximately HK\$6.2 million has not been utilised as at 30 November 2018. The Group will use up this sum for completing the establishment of the New Kulajaya Plant by 30 November 2019.
- (c) 金額約6,200,000港元於二零一八年十一月三十日尚未動用。本集團將於二零一九年十一月三十日前將全部此項金額用作完成建立新古來再也廠房。
- (d) In view of the dropping in revenue in the manufacturing and trading of precast concrete junction boxes segment, the management of the Group have a reservation view over the current timetable to expand the Group's production capacity. The Group will closely monitor both the internal and the external factors and will decide on the expansion of production capacity in due course.
- (d) 鑒於製造及買賣預製混凝土接線盒分部收入下滑，本集團管理層已對擴大本集團產能的目前時間表持保留意見。本集團將密切監控內部及外部因素，並將決定適時擴大產能。
- (e) A sum of approximately HK\$2.3 million has not been utilised as at 30 November 2018. The Group intends to use up this sum by 30 November 2019.
- (e) 金額約2,300,000港元於二零一八年十一月三十日尚未動用。本集團擬於二零一九年十一月三十日前動用全部此項金額。
- (f) A sum of approximately HK\$8.4 million has not been utilised as at 30 November 2018. The Group intends to use up this sum by 30 November 2019.
- (f) 金額約8,400,000港元於二零一八年十一月三十日尚未動用。本集團擬於二零一九年十一月三十日前動用全部此項金額。
- (g) A sum of approximately HK\$2.7 million has not been utilised as at 30 November 2018. The Group intends to use up this sum by 30 November 2019. As at 30 November 2018, the Directors had not identified any acquisition target.
- (g) 金額約2,700,000港元於二零一八年十一月三十日尚未動用。本集團擬於二零一九年十一月三十日前動用全部此項金額。於二零一八年十一月三十日，董事尚未確定任何收購目標。
- (h) A sum of approximately HK\$0.5 million has not been utilised as at 30 November 2018. The Group intends to use up this sum by 30 November 2019.
- (h) 金額約500,000港元於二零一八年十一月三十日尚未動用。本集團擬於二零一九年十一月三十日前動用全部此項金額。

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The Directors will constantly evaluate the Group's business objectives and will change or modify plans against the changing market conditions to ascertain the business growth of the Group.

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

The Group had no contingent liabilities at the balance sheet date.

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 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 2018, in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

董事將持續評估本集團的業務目標，並將因應不斷轉變的市況更改或修改計劃，以確保本集團的業務增長。

於本報告日期，董事預計所得款項用途的計劃將不會出現任何變動。

或然負債

本集團於資產負債表結算日概無或然負債。

企業管治常規

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。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，截至二零一八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。

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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.

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.

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。

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。

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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.

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.

於任何12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。

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。

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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).

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the six months ended 30 November 2018 and up to the date of the report, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

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 2018 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 2018.

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。

遵守相關法例及規例

於截至二零一八年十一月三十日止六個月及截至報告日期，本集團一直遵守對其業務有重大影響的相關法例及規例。

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

截至二零一八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。

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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.

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 and risk management procedures of the Company.

The Audit Committee currently consists of three members namely, Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Ma She Shing Albert. 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 six months 30 November 2018 and is of the opinion that such statements complied with applicable standards, the GEM Listing Rules and that adequate disclosure had been made.

董事於競爭業務的權益

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。

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及風險管理程序。

審核委員會目前由三名成員組成，即邱家禧先生、朱健明先生及馬希聖先生。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。

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INTEREST OF THE COMPLIANCE ADVISER

As notified by RHB Capital Hong Kong Limited (“**RHB Capital**”), the compliance adviser of the Company, except for (i) RHB Capital’s participation as the sole sponsor in relation to the listing of the Company; 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 30 November 2018.

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

Hong Kong, 14 January 2019

As at the date of this report, the Executive Director is Mr. Loh Swee Keong; the Independent Non-executive Directors are Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Ma She Shing Albert.

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，截至二零一八年十一月三十日，除(i)興業金融融資作為獨家保薦人參與本公司上市；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

香港，二零一九年一月十四日

於本報告日期，執行董事為Loh Swee Keong先生；獨立非執行董事為邱家禧先生、朱健明先生及馬希聖先生。



SK TARGET GROUP LIMITED
瑞強集團有限公司