

# 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

2021 | Annual Report  
年報

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本報告乃遵照聯交所GEM證券上市規則（「GEM上市規則」）的規定而提供有關瑞強集團有限公司（「本公司」）的資料。本公司各董事（「董事」）對此共同及個別地承擔全部責任。董事在作出一切合理查詢後確認，就彼等深知及盡信，本報告所載資料在各重大方面均為準確及完整，且並無誤導或欺詐成份，亦無遺漏其他事項致使本報告所載任何陳述或本報告有所誤導。

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# CORPORATE INFORMATION

## 公司資料

### REGISTERED OFFICE IN CAYMAN ISLANDS

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

### 開曼群島註冊辦事處

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

### HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

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

### 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

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

### 香港主要營業地點

香港九龍尖沙咀  
柯士甸路22-26號  
好兆年行  
14樓1406-08室

### EXECUTIVE DIRECTORS

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

### 執行董事

Loh Swee Keong先生 (主席兼行政總裁)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Hei  
Mr. Chu Kin Ming  
Mr. Ma, She Shing Albert

### 獨立非執行董事

邱家禧先生  
朱健明先生  
馬希聖先生

### COMPANY SECRETARY

Mr. Leung Tze Wai, CPA

### 公司秘書

梁子煒先生，註冊會計師

### COMPLIANCE OFFICER

Mr. Loh Swee Keong

### 合規主任

Loh Swee Keong先生

# CORPORATE INFORMATION

## 公司資料

### AUDIT COMMITTEE

Mr. Chu Kin Ming (*Chairman*)  
Mr. Yau Ka Hei  
Mr. Ma, She Shing Albert

### REMUNERATION COMMITTEE

Mr. Yau Ka Hei (*Chairman*)  
Mr. Chu Kin Ming  
Mr. Loh Swee Keong

### NOMINATION COMMITTEE

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

### AUTHORIZED REPRESENTATIVE

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

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 54, Hopewell Centre,  
183 Queen's Road East,  
Hong Kong

### PRINCIPAL BANKER

CIMB Bank Berhad  
Public Bank Berhad

### 審核委員會

朱健明先生 (*主席*)  
邱家禧先生  
馬希聖先生

### 薪酬委員會

邱家禧先生 (*主席*)  
朱健明先生  
Loh Swee Keong 先生

### 提名委員會

Loh Swee Keong 先生 (*主席*)  
邱家禧先生  
馬希聖先生

### 授權代表

Loh Swee Keong 先生  
梁子煒先生，註冊會計師

### 開曼群島股份過戶登記總處

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

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓

### 主要往來銀行

CIMB Bank Berhad  
Public Bank Berhad

# CORPORATE INFORMATION

## 公司資料

### AUDITORS

Crowe (HK) CPA Limited

### 核數師

國富浩華(香港)會計師事務所有限公司

### COMPANY'S WEBSITE ADDRESS

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

### 公司網址

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

### STOCK CODE

8427

### 股份代號

8427

# CHAIRMAN'S STATEMENT

## 主席報告書

Dear Shareholders,

I am pleased to present the annual results of SK Target Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 May 2021.

### REVIEW

The continuous outbreak of coronavirus (“**COVID-19**”) has had a significant impact on people and economies worldwide. The extensive and recurring lockdowns lead to adjournment and the reduce of business activities.

The Group has experienced a decline in revenue of 1.70% for the year ended 31 May 2021 when as compared to the revenue for the year ended 31 May 2020. The revenue generated from the manufacturing and trading of precast concrete junction boxes increased by approximately 2.92%, the other building materials and services business segment decreased by approximately 38.48%, while the Japanese catering business decreased by approximately 57.10%.

As a result of the continuous outbreak of the COVID-19 and series of anti-epidemic measures implemented causing substantial and adverse impacts on our Japanese catering business in Hong Kong. In light of the unpredictability on how the COVID-19 will evolve, the management considers that it is no longer commercial attractive to engage in the Japanese catering business in Hong Kong and therefore considered to cease Japanese catering business subsequent to end of the reporting period.

Nevertheless, the Group remains cautiously optimistic about the overall business prospects.

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

各位股東：

本人欣然提呈瑞強集團有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）截至2021年5月31日止年度的全年業績。

### 回顧

冠狀病毒（「**COVID-19**」）持續爆發對全球民眾和經濟造成重大影響。各國實施廣泛而頻繁的封鎖導致休會及業務活動減少。

較截至2020年5月31日止年度的收入相比，本集團截至2021年5月31日止年度的收入下降1.70%。自預製混凝土接線盒的製造及貿易產生的收入增加約2.92%，而自其他建築材料及服務業務分部產生的收入則減少約38.48%。日本餐廳業務則減少約57.10%。

由於COVID-19的持續爆發以及一系列抗疫措施的實施對我們於香港的日本餐廳業務造成重大不利影響。鑒於COVID-19將如何演變的不可預測性，管理層認為於香港從事日本餐廳業務已不再具備商業吸引力，故考慮於報告期末後停止經營日本餐廳業務。

然而，本集團仍對整體業務前景持審慎樂觀態度。

本集團的管理層致力於尋求可為本公司股東帶來長期回報的商機。

# CHAIRMAN'S STATEMENT

## 主席報告書

### PROSPECT

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

Due to the continuous outbreak of the COVID-19 the Board expects it may create more uncertainty to the economy in Malaysia and Hong Kong in the foreseeable future. The Board will continue to monitor the business environment in Malaysia and Hong Kong and make appropriate adjustments to the Group's operations should there be a need.

### APPRECIATION

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

### Loh Swee Keong

*Chairman*

Hong Kong, 27 August 2021

### 前景

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

由於COVID-19的持續爆發，董事會預計，於可預見未來，其可能會對馬來西亞及香港的經濟帶來更多不確定性。董事會將繼續監控馬來西亞及香港的業務環境，並於需要時對本集團的經營作出恰當調整。

### 致謝

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

*主席*

**Loh Swee Keong**

香港，2021年8月27日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW AND OUTLOOK

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

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

For the year ended 31 May 2021, the revenue of the Group decreased by approximately 1.70% the decrease is mainly due to the Japanese catering business had been facing difficult business environment in current year, such as series of anti-epidemic measures implemented which reduced the number of customers.

### 業務回顧及展望

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

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

截至2021年5月31日止年度，本集團收入減少約1.70%，該減少乃主要由於日本餐廳業務於本年度營業環境艱難，如一系列抗疫措施的實施所致顧客數量減少。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

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

### FINANCIAL REVIEW

#### Revenue

The revenue decreased from approximately RM23.0 million for the year ended 31 May 2020 to approximately RM22.6 million for the year ended 31 May 2021, representing a drop of approximately 1.70%. Such decrease was mainly due to the decrease in the revenue generated from the Japanese catering business.

For the manufacturing and trading of precast concrete junctions boxes business, the revenue increased by approximately 2.92%, from approximately RM16.1 million for the year ended 31 May 2020 to approximately RM16.6 million for the year ended 31 May 2021.

For the trading of accessories and pipes and the provision of mobile crane rental and ancillary services business, the revenue increased by approximately 38.48%, from approximately RM3.2 million for the year ended 31 May 2020 to approximately RM4.4 million for the year ended 31 May 2021. The increase was mainly caused by the increase in sales of steel and pipes.

For the Japanese catering services, the revenue significant decreased by approximately 57.10%, from approximately RM3.6 million for the year ended 31 May 2020 to approximately RM1.5 million for the year ended 31 May 2021. The decrease is mainly due to the Japanese catering business had been facing difficult business environment in this year, such as series of anti-epidemic measures implemented which reduced the number of customers. The continuous outbreak of the COVID-19 throughout 2020 and series of anti-epidemic measures implemented causing substantial and adverse impacts on our Japanese catering business. In light of the unpredictability on how the COVID-19 will evolve, the management considers that it is no longer commercially attractive to engage in the Japanese catering business in Hong Kong and therefore considered to cease Japanese catering business subsequent to end of the reporting period.

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

### 財務回顧

#### 收入

收入由截至2020年5月31日止年度約23.0百萬令吉減少至截至2021年5月31日止年度約22.6百萬令吉，降幅約1.70%。有關減少乃主要由於日本餐廳業務所產生的收入減少所致。

製造及買賣預製混凝土接線盒業務的收入增加約2.92%，由截至2020年5月31日止年度約16.1百萬令吉減少至截至2021年5月31日止年度約16.6百萬令吉。

配件及管道貿易以及提供移動式起重機租賃及配套服務業務的收入由截至2020年5月31日止年度約3.2百萬令吉增加約38.48%至截至2021年5月31日止年度約4.4百萬令吉。有關增加乃主要由於鋼鐵及管道銷售增加所致。

就日本餐廳而言，收入由截至2020年5月31日止年度的約3.6百萬令吉大幅減少約57.10%至截至2021年5月31日止年度的約1.5百萬令吉。該減少乃主要由於日本餐廳業務於本年度營業環境艱難，如一系列抗疫措施的實施所致顧客數量減少。2020年全年COVID-19的持續爆發及一系列抗疫措施的實施，對我們日本餐廳業務造成重大不利影響。鑒於COVID-19將如何演變的不可預測性，管理層認為於香港從事日本餐廳業務已不再具備商業吸引力，故認為於報告期末後停止經營日本餐廳業務。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Cost of sales and Gross Profit

Costs of sales mainly consists of (i) cost of raw materials and trading products; (ii) manufacturing overheads; (iii) direct labour; (iv) crane hiring costs; and (v) food costs. The cost of sales increased from approximately RM16.3 million for the year ended 31 May 2020 to approximately RM17.1 million for the year ended 31 May 2021, representing an increase of approximately 4.65%.

The total cost of sales from the manufacturing and sale of precast concrete junction boxes decreased from approximately RM11.6 million for the year ended 31 May 2020 to approximately RM12.4 million for the year ended 31 May 2021.

The Gross Profit decreased from approximately RM6.7 million for the year ended 31 May 2020 to approximately RM5.5 million for the year ended 31 May 2021.

### Administrative expenses

Administrative expenses of the Group decreased by approximately RM1.4 million or 12.83% from approximately RM10.4 million for the year ended 31 May 2020 to approximately RM9.0 million for the year ended 31 May 2021.

The Group's administrative expenses mainly consisted of salaries, welfare and other benefits, rent and rates, general office expenses, depreciation and professional service fees. The decrease was mainly attributable to better control on expenses.

### Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately RM0.2 million or 19.76% from approximately RM1.0 million for the year ended 31 May 2020 to approximately RM1.2 million for the year ended 31 May 2021.

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 increase of selling and distribution expenses was mainly due to the increase marketing expenses.

### 銷售成本及毛利

銷售成本主要包括(i)原材料及貿易產品成本；(ii)製造費用；(iii)直接勞工；(iv)起重機租用成本；及(v)食品成本。銷售成本由截至2020年5月31日止年度約16.3百萬令吉增加至截至2021年5月31日止年度約17.1百萬令吉，增幅約4.65%。

製造及銷售預製混凝土接線盒的總銷售成本由截至2020年5月31日止年度約11.6百萬令吉減少至截至2021年5月31日止年度約12.4百萬令吉。

毛利由截至2020年5月31日止年度約6.7百萬令吉減少至截至2021年5月31日止年度約5.5百萬令吉。

### 行政開支

本集團的行政開支由截至2020年5月31日止年度約10.4百萬令吉減少約1.4百萬令吉或12.83%至截至2021年5月31日止年度約9.0百萬令吉。

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。有關減少乃主要由於開支的管控力度增強。

### 銷售及分銷開支

本集團的銷售及分銷開支由截至2020年5月31日止年度約1.0百萬令吉增加約0.2百萬令吉或19.76%至截至2021年5月31日止年度約1.2百萬令吉。

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招待開支。銷售及分銷開支增加乃主要由於市場推廣開支增加所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Loss for the year

The Group recorded a net loss of approximately RM4.9 million for the year ended 31 May 2021 (31 May 2020: approximately RM4.4 million) due to the net effect of (i) the decrease in revenue for the year ended 31 May 2021; (ii) the increase in cost of sales for the year ended 31 May 2021; and (iii) the decrease in the administrative expenses incurred by the Group for the year ended 31 May 2021.

### 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**").

### 年內虧損

本集團於截至2021年5月31日止年度錄得淨虧損約4.9百萬令吉(2020年5月31日:約4.4百萬令吉),乃由於(i)截至2021年5月31日止年度的收入減少;(ii)截至2021年5月31日止年度銷售成本增加;及(iii)截至2021年5月31日止年度本集團產生的行政開支減少的淨影響所致。

### 主要風險及不確定因素

#### 經營風險

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

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

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Financial risks

As a manufacturer of precast concrete junction boxes, the Group has to purchase raw materials from its suppliers from time to time based on its procurement policy. The Group relies on cash inflow from its customers to meet its payment obligations to our suppliers. The Group's cash inflow is dependent on the prompt settlement of its payments. As at 31 May 2021, the Group recorded trade receivables amounting to approximately RM7.6 million, the number of trade receivables turnover days was approximately 126 days which exceeded the credit period stipulated on the Group's service agreements with its customers with average trade payable turnover days of approximately 80 days. The Group is exposed to credit risk and liquidity risk. For further details, please refer to note 27 to the consolidated financial statements.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 31 May 2021, the Group's cash and cash equivalents was approximately RM23.2 million (31 May 2020: approximately RM22.8 million).

As at 31 May 2021, the Group has no borrowings (31 May 2020: Nil).

As at 31 May 2021, the Group's current ratio was 4.66 (31 May 2020: 4.2), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was Nil as at 31 May 2021 and 31 May 2020, which is calculated based on the total interest-bearing loans divided by the total equity.

As at 31 May 2020 and 31 May 2021, the Group had no bank borrowings. The Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

### 財務風險

作為一家預製混凝土接線盒製造商，本集團須根據其採購政策不時向供應商採購原材料。本集團依賴來自客戶的現金流入以履行向供應商付款的責任。本集團的現金流入取決於迅速結清付款。於2021年5月31日，本集團錄得貿易應收款項約7.6百萬令吉，而貿易應收款項週轉日數約為126日，超過本集團與客戶訂立的服務協議所規定的信貸期，平均貿易應付款項週轉日數則約為80日。本集團面臨信貸風險及流動資金風險。進一步詳情請參閱綜合財務報表附註27。

### 流動資金及財務資源

於2021年5月31日，本集團的現金及現金等價物約為23.2百萬令吉（2020年5月31日：約22.8百萬令吉）。

於2021年5月31日，本集團並無借款（2020年5月31日：無）。

於2021年5月31日，本集團的流動比率為4.66倍（2020年5月31日：4.2倍），乃按總流動資產除以總流動負債計算。於2021年5月31日及2020年5月31日，資本負債比率為零，乃按總計息貸款除以權益總額計算。

於2020年5月31日及2021年5月31日，本集團並無銀行借款。本集團的財務狀況穩健強大。憑藉可用的銀行結餘以及現金及銀行信貸融資，本集團擁有充裕的流動資金以滿足其資金需要。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CAPITAL STRUCTURE

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

As at 31 May 2021, the share capital and equity attributable to owners of equity of the Company amounted to approximately RM4.3 million and approximately RM29.3 million respectively (31 May 2020: RM3.8 million and RM32.3 million respectively). Details of the capital risk management are set out in the note 26 to the consolidated financial statements.

### CAPITAL COMMITMENTS

As at 31 May 2021, the Group has no capital commitments in respect of the acquisition of property, plant and equipment (31 May 2020: Nil).

### EXPOSURE TO EXCHANGE RATE FLUCTUATION

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

### CHARGE OVER ASSETS OF THE GROUP

As at 31 May 2021, the Group had bank deposits pledged with banks totalling approximately RM1.2 million (31 May 2020: approximately RM1.1 million). These deposits were pledged to secure general banking facilities granted to the Group.

### SIGNIFICANT INVESTMENTS HELD

As at 31 May 2021, the Company did not have any significant investments held.

### 資本架構

本集團的資本架構於年內概無變動。本集團的股本僅由普通股組成。

於2021年5月31日，本公司股權擁有人應佔股本及股權分別約為4.3百萬令吉及29.3百萬令吉（2020年5月31日：分別為3.8百萬令吉及32.3百萬令吉）。資本風險管理的詳情載於綜合財務報表附註26。

### 資本承擔

於2021年5月31日，本集團並無有關收購物業、廠房及設備的資本承擔（2020年5月31日：無）。

### 匯率波動風險

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

### 本集團的資產抵押

於2021年5月31日，本集團抵押予銀行的銀行存款合共約為1.2百萬令吉（2020年5月31日：約1.1百萬令吉）。該等存款乃抵押用作為授予本集團的一般銀行信貸提供擔保。

### 所持重大投資

於2021年5月31日，本公司並無持有任何所持重大投資。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

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

There were no material acquisitions and disposals of subsidiaries and affiliated companies during the year ended 31 May 2021. There is no specific future plan for material investments or capital assets as at the date of the report.

### CONTINGENT LIABILITIES

As at 31 May 2020 and 31 May 2021, the Group had no material contingent liabilities.

### EMPLOYEES AND REMUNERATION POLICIES

As at 31 May 2021, we had 69 employees who are located in Malaysia and the Hong Kong Special Administrative Region. The Group generally recruits employees from the open market by placing recruitment advertisements. The Group entered into individual labour contracts with each of the employees in accordance with the applicable labour laws of Malaysia and the Hong Kong Special Administrative Region, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package that the Group offers to the employees includes salary, bonuses, allowances and medical benefits. In general, the Group determines a Director's and an employee's salary based on the Director's and the employee's qualifications, experience and capability and the prevailing market remuneration rate. The Group has designed a review system to assess the performance of our employees once a year, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions. The long term incentive scheme of the Group include a share option scheme.

### 重大收購及出售以及重大投資或資本資產計劃

於截至2021年5月31日止年度，概無附屬公司及聯營公司的重大收購及出售事項。於本報告日期，概無重大投資或資本資產的特定未來計劃。

### 或然負債

於2020年5月31日及2021年5月31日，本集團概無任何重大或然負債。

### 僱員及薪酬政策

於2021年5月31日，我們在馬來西亞及香港特別行政區有69名僱員。本集團通常透過刊登招聘廣告從公開市場招聘僱員。本集團根據馬來西亞及香港特別行政區的適用勞動法例與每名僱員訂立個別的勞工合約，當中涵蓋工資、僱員福利及終止理由等事宜。本集團向僱員提供的薪酬方案包括薪金、花紅、津貼及醫療福利。一般而言，本集團按照董事及僱員的資格、經驗及能力以及當前的市場薪酬水平釐定各董事及僱員的薪金。本集團已設計一個審核制度，以就僱員表現每年進行一次評估，此構成我們對薪金調整、花紅及晉升方面所作決定的基準。本集團長期激勵計劃包括一項購股權計劃。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST TWELVE MONTHS

本公司於過去十二個月內的集資活動

Date of announcement	Fund raising activity	Net proceeds to be raised (approximately)	Proposed use of net proceeds	Actual use of net proceeds
公佈日期	集資活動	集資所得款項淨額 (約整)	所得款項淨額擬定用途	所得款項淨額實際用途
4 March 2021 and 7 March 2021 (completed on 11 March 2021)	Subscription of new Shares under general mandate granted on 25 November 2020	HK\$4,967,000	For general working capital of the Group	Used as intended
2021年3月4日及2021年3月7日 (於2021年3月11日完成)	根據於2020年11月25日授出的一般授權認購新股份	4,967,000港元	用作本集團一般營運資金	用作擬定用途

### SUBSEQUENT EVENTS AFTER REPORTING PERIOD

Subsequently on 16 August 2021, an ordinary resolution was passed on share consolidation (“**Share Consolidation**”), pursuant to it, every 8 issued and unissued existing shares of par value HK\$0.01 each in the share capital of the Company would be consolidated into 1 consolidated share of par value HK\$0.08 each (“**Consolidated Share**”) in the share capital of the Company. Immediately after the Share Consolidation becoming effective on 18 August 2021, the authorised share capital of the Company would become HK\$100,000,000 divided into 1,250,000,000 Consolidated Shares of HK\$0.08 each, of which 98,025,000 Consolidated Shares (which are fully paid or credited as fully paid) would be in issue.

With reference to the announcement dated on 18 August 2021 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company will allot and issue, and the Subscriber will subscribe for, an aggregate of 5,205,000 Subscription Shares at the Subscription Price at HK\$0.36. The total subscription amount payable by the Subscriber to the Company pursuant to the Subscription Agreement amounts to HK\$1,873,800. The Subscription has not yet completed up to report date.

### 報告期後事項

其後，於2021年8月16日，有關股份合併（「**股份合併**」）的普通決議案獲通過。根據該決議案，本公司股本中每八(8)股面值0.01港元的已發行及未發行現有股份將合併為本公司股本中每股面值0.08港元的合併股份（「**合併股份**」）。緊隨股份合併於2021年8月18日生效後，本公司之法定股本將為100,000,000港元，分為1,250,000,000股每股面值0.08港元之合併股份，其中98,025,000股合併股份（為繳足或入賬列作繳足）將為已發行。

經參考日期為2021年8月18日（交易時段後）之公佈，本公司與認購人訂立認購協議，據此，本公司將按認購價0.36港元配發及發行，而認購人將按認購價0.36港元認購合共5,205,000股認購股份。認購人根據認購協議應付本公司之認購總金額為1,873,800港元。直至報告日期，認購事項尚未完成。



# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介

### EXECUTIVE DIRECTORS

**Mr. Loh Swee Keong**, aged 54, is the founder of the Group. He was appointed to the Board on 28 October 2016 and is the chairman of the Nomination Committee of the Company. He is responsible for the overall business strategy, approving annual budget proposals, and major business decisions of the group. Mr. Loh has over 20 years of work experience in the precast concrete junction box industry. Mr. Loh completed his secondary school from five level education in Tsung Wah National Type Secondary School, Kuala Kangsar, Perak, Malaysia in November 1985.

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

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Yau Ka Hei (邱家禧)**, aged 37, was appointed as our Independent Non-executive Director of the Company with effect from 27 June 2017 and is a member of the Audit Committee, and the Nomination Committee and the chairman of the Remuneration Committee of the Company. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants. He obtained his Bachelor's Degree of Business Administration in Business Economics from the City University of Hong Kong in November 2007. Mr. Yau has over 10 years experiences in accounting and auditing.

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

### 執行董事

**Loh Swee Keong**先生，54歲，為本集團的創辦人。彼於2016年10月28日獲委任加入董事會，並為本公司提名委員會主席。彼負責整體業務策略、審批年度預算建議書及本集團的主要業務決策。Loh先生於預製混凝土接線盒行業擁有超過20年工作經驗。Loh先生於1985年11月於馬來西亞霹靂州江沙縣的Tsung Wah National Type Secondary School完成中學第五級課程。

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

### 獨立非執行董事

**邱家禧**先生，37歲，獲委任為本公司獨立非執行董事，自2017年6月27日起生效，並為本公司審核委員會及提名委員會成員以及薪酬委員會主席。邱先生為香港會計師公會的會員。彼於2007年11月於香港城市大學取得工商管理（商業經濟學）學士學位。邱先生於會計及審計方面擁有逾10年經驗。

彼現時為一家香港公司的財務經理，從事能源交易業務。

## DIRECTORS AND SENIOR MANAGEMENT PROFILES

### 董事及高級管理層簡介

**Mr. Chu Kin Ming (朱健明)**, aged 41, was appointed as our Independent Non-executive Director on 27 June 2017 and is a member of the Remuneration Committee and the Chairman of the Audit Committee of the Company. Mr. Chu obtained his Bachelor of Arts Degree in Accountancy from the Hong Kong Polytechnic University in November 2003. Mr. Chu has approximately 20 years working experience in the accounting and company secretarial field.

Mr. Chu has served as a chief financial officer and the company secretary of companies listed on the Stock Exchange. Mr. Chu is currently the company secretary of Sino-life Group Limited (stock code: 8296) and OCI International Holdings Limited (stock code: 329). He is currently the independent non-executive director of China Oil Gangran Energy Group Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8132), Kelfred Holdings Limited, a company listed on the Stock Exchange (stock code: 1134), Optima Automobile Group Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8418) and Milestone Builder Holdings Limited, a company listed on the Stock Exchange (stock code: 1667).

Mr. Chu is a member of (i) the Association of Chartered Certified Accountants; (ii) the Hong Kong Institute of Certified Public Accountants; (iii) the Hong Kong Chartered Secretaries; and (iv) the Institute of Chartered Secretaries and Administrators.

**Mr. Ma, She Shing Albert (馬希聖)**, aged 60, graduated from Pomona College, California, USA with a Bachelor of Arts Degree in 1983. Mr. Ma possesses extensive experience in corporate banking and private banking in major USA and European financial institutions. He was previously a vice president of a renowned USA investment bank in Hong Kong. He is currently a general manager of Incu Corporate Finance Limited, a consulting firm, where he is responsible for office administration.

朱健明先生，41歲，於2017年6月27日獲委任為獨立非執行董事，並為本公司薪酬委員會成員及審核委員會主席。朱先生於2003年11月於香港理工大學取得會計文學士學位。朱先生於會計及公司秘書領域擁有約20年工作經驗。

朱先生曾擔任於聯交所上市之公司的財務總監及公司秘書。朱先生現時為中國生命集團有限公司(股份代號：8296)及東建國際控股有限公司(股份代號：329)的公司秘書。彼現時為中油港燃能源集團控股有限公司(一家於聯交所GEM上市的公司(股份代號：8132))、恒發光學控股有限公司(一家於聯交所上市的公司(股份代號：1134))、傲迪瑪汽車集團控股有限公司(一家於聯交所GEM上市的公司(股份代號：8418))以及進階發展集團有限公司(一家於聯交所上市的公司(股份代號：1667))的獨立非執行董事。

朱先生為(i)特許公認會計師公會會員；(ii)香港會計師公會會員；(iii)香港特許秘書公會會員；及(iv)特許秘書及行政人員公會會員。

馬希聖先生，60歲，於1983年畢業於美國加州波莫納學院(Pomona College)，獲得文學士學位。馬先生於美國及歐洲大型金融機構的企業銀行及私人銀行領域擁有豐富經驗。彼曾擔任香港一家著名美國投資銀行之副總裁。彼現任衍丰企業融資有限公司(一間顧問公司)總經理，負責辦公室行政。

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介

### SENIOR MANAGEMENT

**Mr Low Yew Kuan**, aged 54, is the Head of Finance of the Malaysia's subsidiaries of the Group. He is responsible for the daily operations and the financial and accounting activities of the group. Mr Low obtained his Bachelor's Degree in Business Administration from the RMIT University, Melbourne in Jan 2001. He was further admitted as a fellow of the Institute of Financial Accountants in the United Kingdom in June 2005 and the Institute of Public Accountants, Melbourne, Australia in June 2015. Mr Low has over 29 years of experience in the manufacturing and accounting field.

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

**Mr. Leung Tze Wai (梁子煒)**, aged 38, was appointed as the Company Secretary on 1 November 2018. He holds a Bachelor Degree of Commerce (Accounting) from the University of Adelaide, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia and is currently the Finance Manager of the Company. He has over 10 years' experience in the auditing, accounting and financial sectors.

### 高級管理層

**Low Yew Kuan先生**，54歲，為本集團馬來西亞附屬公司的財務主管。彼負責該集團的日常營運及財務和會計活動。Low先生於2001年1月於墨爾本的皇家墨爾本理工大學取得工商管理學士學位。彼於2005年6月進一步獲認許為英國財務會計師公會的資深會員，並於2015年6月獲認許為澳洲墨爾本公共會計師公會的資深會員。Low先生於製造及會計業擁有超過29年經驗。

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

**梁子煒先生**，38歲，已於2018年11月1日獲委任為公司秘書。彼持有澳洲阿德雷德大學商業（會計）學士學位。彼為香港會計師公會會員及澳洲執業會計師公會會員以及現任本公司財務經理。彼於審計、會計及財務領域擁有逾10年經驗。

## DIRECTORS AND SENIOR MANAGEMENT PROFILES

### 董事及高級管理層簡介

**Mr. Ma Hong Chee**, aged 53 is the Operations Manager of the Group. He is responsible for overseeing the production activities of our production plant. Mr. Ma completed SRP, Malaysia Sekolah Menengah Tanah Putih, Kuantan, Pahang.

From October 1996 to April 2010, Mr. Ma joined Grobest Frozen (M) Sdn., Bhd. where he was responsible for (i) setting up the processing plant operation system; (ii) in production planning and operation; (iii) monitoring purchasing flow and supplier management flow; and (iv) implementing and managing marketing programmes. His last position with the company was manager.

**Ms. Siew Poi Voon**, aged 43 is the Factory Manager. She is responsible for overseeing the manufacturing and operations of the production activities of the Group. Ms. Siew joined the Group as a Human Resource and Administration Executive in March 2013 and was promoted as our Assistant Factory Manager in April 2015. Ms. Siew was subsequently appointed as our Factory Manager in August 2016. Ms. Siew obtained a Bachelor's Degree in Human Development from the University Putra Malaysia in July 2001.

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

**Ma Hong Chee**先生，53歲，為本集團的營運經理。彼負責監督生產廠房的生產活動。Ma先生於Malaysia Sekolah Menengah Tanah Putih, Kuantan, Pahang完成SRP。

於1996年10月至2010年4月，Ma先生加入Grobest Frozen (M) Sdn., Bhd.，負責(i)設立加工廠營運系統；(ii)參與生產規劃及營運；(iii)監察採購流程及供應商管理流程；及(iv)執行及管理市場推廣計劃。彼於該公司的最後職位為經理。

**Siew Poi Voon**女士，43歲，為廠長。彼負責監督本集團的製造事宜及生產活動營運。Siew女士於2013年3月加入本集團任職人力資源及行政主任，並於2015年4月晉升為我們的助理廠長。Siew女士其後於2016年8月獲委任為廠長。Siew女士於2001年7月從馬來西亞博特拉大學獲得人力資源發展學士學位。

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

# REPORT OF THE DIRECTORS

## 董事會報告

The Board is pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 May 2021.

### PRINCIPAL ACTIVITIES

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

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

### TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

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

### CORPORATE GOVERNANCE

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

### SEGMENT INFORMATION

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

董事會欣然提呈其年報，連同本集團截至2021年5月31日止年度的經審核綜合財務報表。

### 主要業務

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

### 遵守相關法例及規例

年內，本集團一直遵守對其業務有重大影響的相關法例及規例。

### 上市證券持有人的稅務寬減及豁免

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

### 企業管治

本公司採納的企業管治常規詳情載於本年報第35至56頁的「企業管治報告」。

### 分部資料

本集團於年內的主要業務分部營業額及貢獻的分析載於綜合財務報表附註5。

# REPORT OF THE DIRECTORS

## 董事會報告

### BUSINESS REVIEW

Details of business review of the Group for the year ended 31 May 2021 is set out in the section headed “Chairman’s Statement” on pages 6 to 7 and the business review and outlook of the Group is set out in the section headed “Management Discussion and Analysis” on pages 8 to 15 of this annual report. The discussion and analysis of the Group’s performance during the year and the material factor underlying its financial performance and financial position are set out in “Management Discussion and Analysis” on pages 8 to 15 respectively.

### RESULTS AND DIVIDENDS

The result of the Group for the year ended 31 May 2021 and the state of the affairs of the Group as at that date are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 64.

The Board does not recommend the payment of final dividend for the year ended 31 May 2021 (2020: Nil).

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

### FINANCIAL SUMMARY

A summary of published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statement and the Prospectus, is set out on page 160 on this annual report. This summary does not form part of the audited consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

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

### 業務回顧

本集團截至2021年5月31日止年度的業務回顧詳情載於本年報第6至7頁的「主席報告書」一節，而本集團的業務回顧及前景則載於第8至15頁的「管理層討論及分析」一節。本集團年內表現的討論及分析以及有關其財務表現及財務狀況的重大因素分別載於第8至15頁的「管理層討論及分析」。

### 業績及股息

本集團截至2021年5月31日止年度的業績及其於該日的事務狀況載於第64頁的綜合損益及其他全面收益表。

截至2021年5月31日止年度，董事會建議不派付末期股息（2020年：無）。

概無本公司股東放棄或同意放棄任何股息的安排。

### 財務概要

本集團於過去五個財政年度刊發的業績、資產及負債概要（摘錄自經審核財務報表及招股章程）載於本年報第160頁。此概要並非經審核綜合財務報表的一部分。

### 物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註13。

# REPORT OF THE DIRECTORS

## 董事會報告

### SHARE CAPITAL

Details of the Company's share capital and movements during the Year are set out in note 24 to the consolidated financial statements.

### RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in the Consolidated Statement of Financial Position and in the Consolidated Statement of Changes in Equity set out on pages 67 and 68 respectively.

### DISTRIBUTION RESERVES

As at 31 May 2021, the Company's reserve available for distribution which consists of retained profit and the aggregate amount of reserves available for distribution to equity shareholders of the Company is RM21.3 million (2020: RM24.0 million).

### PRE-EMPTIVE RIGHTS

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

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 May 2021.

### RELATIONSHIPS WITH STAKEHOLDERS

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

### 股本

本公司的股本及年內變動詳情載於綜合財務報表附註24。

### 儲備

本公司及本集團於年內的儲備變動詳情分別載於第67及68頁所載的綜合財務狀況表及綜合權益變動表。

### 分派儲備

於2021年5月31日，本公司可分派儲備包括保留溢利及可分派予本公司權益股東的儲備總額為21.3百萬令吉（2020年：24.0百萬令吉）。

### 優先購買權

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

### 購買、出售或贖回上市證券

截至2021年5月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 與利益相關者的關係

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

# REPORT OF THE DIRECTORS

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the top five customers together accounted for approximately 20.84% of the Group's revenue and the Group's largest customer accounted for approximately 7.96% of the Group's revenue.

During the Year, the top five suppliers together accounted for approximately 56.27% of the Group's purchases and the Group's largest supplier accounted for approximately 23.18% of the Group's purchases.

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

### DIRECTORS

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

#### Executive Directors

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

#### Independent Non-Executive Directors

Mr. Yau Ka Hei

Mr. Chu Kin Ming

Mr. Ma, She Shing Albert

By virtue of Article 108 of the articles of association of the Company, Mr. Loh Swee Keong and Mr. Ma She Shing Albert shall retire at the forthcoming AGM and, being eligible, shall offer themselves for re-election at the said meeting.

### 主要客戶及供應商

年內，五大客戶合共佔本集團收入約20.84%，而本集團最大客戶則佔本集團收入約7.96%。

年內，五大供應商合共佔本集團採購額約56.27%，而本集團最大供應商則佔本集團採購額約23.18%。

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

### 董事

於年內及直至本年報日期為止，董事為：

#### 執行董事

Loh Swee Keong先生（*主席兼行政總裁*）

#### 獨立非執行董事

邱家禧先生

朱健明先生

馬希聖先生

根據本公司組織章程細則第108條，Loh Swee Keong先生及馬希聖先生將於應屆股東週年大會上退任，而彼等符合資格及願意於該大會上重選連任。



# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' SERVICE CONTRACT

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

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

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

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographies details of Directors and senior management are set out on pages 16 to 19.

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

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

### DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year and at any time during the year ended 31 May 2021.

### 董事的服務合約

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

各獨立非執行董事已與本公司訂立服務合約或委任書，固定年期為期三年，可由任何一方向另一方發出不少於一個月的書面通知終止，並須受當中所述終止條文及細則所載董事輪值退任條文所規限。

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

### 董事及高級管理層履歷詳情

董事及高級管理層履歷詳情載於第16至19頁。

### 董事、主要行政人員及五名最高薪酬人士的薪酬

董事及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註6及7。

### 董事於交易、安排及合約的權益

本公司或其任何附屬公司概無訂定一名董事直接或間接於其中擁有重大權益，並且於年終或截至2021年5月31日止年度任何時間仍然生效的重大交易、安排或合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### INTERESTS OF CONTROLLING SHAREHOLDERS IN CONTRACTS

No contract of significance has been entered during the year ended 31 May 2021 between the Company or any of its subsidiaries and the controlling shareholders or any of its subsidiaries.

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into or existed during the year ended 31 May 2021.

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 May 2021.

### DEED OF NON-COMPETITION

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

The controlling shareholders have confirmed with the Company that they had complied with the non-competition undertakings during the year ended 31 May 2021. The Directors (including the Independent Non-executive Directors) have reviewed and confirmed the compliance with the non-competition undertaking by the controlling shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

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

### COMPETING BUSINESS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at 31 May 2021, none of the Directors, nor the controlling shareholders of the Company and any of their respective close associates has any interest in a business which competes or likely to compete, either directly or indirectly, with the business of the Group.

### 控股股東於合約的權益

截至2021年5月31日止年度，本公司或其任何附屬公司及控股股東或其任何附屬公司概無訂立任何重大合約。

截至2021年5月31日止年度，概無就本公司或其任何附屬公司控股股東向本公司或其任何附屬公司提供服務而訂立或存續任何重大合約。

### 管理合約

截至2021年5月31日止年度，概無訂立或存續有關本公司全部或任何大部分業務的管理及行政合約。

### 不競爭契據

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

控股股東已向本公司確認，彼等於截至2021年5月31日止年度一直遵守不競爭承諾。董事（包括獨立非執行董事）已審閱及確認控股股東遵守不競爭承諾的情況。

### 足夠公眾持股量

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

### 董事及控股股東之競爭業務

於2021年5月31日，概無董事、本公司控股股東或彼等各自的任何緊密聯繫人在與本集團業務造成或可能造成直接或間接競爭的業務中擁有任何權益。

# REPORT OF THE DIRECTORS

## 董事會報告

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

As at 31 May 2021, the interests and short position of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

### 董事及主要行政人員於本公司及相聯法團的股份、相關股份及債權證的權益及淡倉

於2021年5月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的權益及淡倉，或(iii)根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

### Ordinary Shares of the Company

### 本公司普通股

Name	Capacity/ Nature of Interest	Number of issued ordinary shares held/ interested (Note 1) 所持／擁有 權益之已發行 普通股數目 (附註1)	Approximate percentage of issued share capital of the Company 佔本公司 已發行股本 概約百分比
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)	30.43%

#### Notes:

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

#### 附註：

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

## REPORT OF THE DIRECTORS

### 董事會報告

Save for disclosed above, as at 31 May 2021, none of the Directors and chief executive of the Company had any interests or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provision of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

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

As at 31 May 2021, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 and SFO were as follows:

除上文所披露者外，於2021年5月31日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及／或淡倉），或(ii)須記錄於本公司根據證券及期貨條例第352條存置的登記冊的任何權益或淡倉，或(iii)根據GEM上市規則第5.46條所述本公司董事進行交易的規定標準須知會本公司及聯交所的任何權益或淡倉。

#### **主要股東及其他人士於本公司股份及相關股份的權益及淡倉**

於2021年5月31日，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益及淡倉，或須記錄於根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉如下：

# REPORT OF THE DIRECTORS

## 董事會報告

### ORDINARY SHARES OF THE COMPANY

### 本公司普通股

Name	Capacity/Nature of Interest	Number of Shares held/ interested (Note 1) 所持或擁有 權益之股份數目 (附註1)	Approximate percentage of share holding 概約股權 百分比
姓名／名稱	身份／權益性質		
Merchant World Investments Limited	Beneficial owner 實益擁有人	238,620,000 (L)	30.43%
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)	30.43%
Greater Elite Holdings Limited (Note 3) Greater Elite Holdings Limited (附註3)	Beneficial owner 實益擁有人	108,980,000 (L)	13.90%
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	108,980,000 (L)	13.90%
Ms. Cheng Lai Wah Christina (Note 4) 鄭麗華女士 (附註4)	Interest of spouse 配偶權益	108,980,000 (L)	13.90%
Mr. Fung Tak, Andrew (Note 5) 馮達先生 (附註5)	Beneficial owner and joint interest 實益擁有人及共同權益	58,872,000 (L)	7.51%
Mr. Fung Hong, Albert (Note 6) 馮康先生 (附註6)	Beneficial owner and joint interest 實益擁有人及共同權益	58,872,000 (L)	7.51%
Ms. Lo Pui Chu, Amy (Note 7) 盧佩珠女士 (附註7)	Interest of spouse 配偶權益	58,872,000 (L)	7.51%
Ms. Cho Ka Lai (Note 8) 左嘉麗女士 (附註8)	Interest of spouse 配偶權益	58,872,000 (L)	7.51%

# REPORT OF THE DIRECTORS

## 董事會報告

### 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) Mr. Fung Tak, Andrew is interested in 58,872,000 shares jointly with Mr. Fung Hong, Albert.
- (6) Mr. Fung Hong, Albert is interested in 58,872,000 shares jointly with Mr. Fung Tak, Andrew.
- (7) 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.
- (8) Ms. Cho Ka Lai is the spouse of Mr. Fung Hong, Albert and is deemed, or taken to be interested in all the Shares in which Mr. Fung Hong, Albert has interest under the SFO.

Save for disclosed above, as at 31 May 2021, 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.

### 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為一家於英屬處女群島註冊成立的公司，並由羅鳳原先生全資擁有。根據證券及期貨條例，羅鳳原先生被視為於由Greater Elite Holdings Limited持有的全部股份中擁有權益。
- (4) 鄭麗華女士為羅鳳原先生的配偶，根據證券及期貨條例，彼被視為或當作於羅鳳原先生擁有權益的所有股份中擁有權益。
- (5) 馮達先生與馮康先生於58,872,000股股份中擁有共同權益。
- (6) 馮康先生與馮達先生於58,872,000股股份中擁有共同權益。
- (7) 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。
- (8) 左嘉麗女士為馮康先生的配偶，根據證券及期貨條例，彼被視為或當作於馮康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2021年5月31日，本公司並無得悉任何人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告

### SHARE OPTION SCHEME

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

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

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

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

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

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。

## REPORT OF THE DIRECTORS

### 董事會報告

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

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

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

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

As at 31 May 2021, no share option was granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

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

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

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

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

於2021年5月31日，概無購股權根據本公司的購股權計劃授出、獲行使、失效或註銷。



# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save for disclosed above, at no time during the year ended 31 May 2021 was the Company, its or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executives (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

### THE ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Details of the Company's shares issued during the year are set out in the consolidated statement of changes in equity and note 24 to the consolidated financial statements.

### CONNECTED TRANSACTIONS

During the year ended 31 May 2021, there are no connected transactions or continuing connected transactions of the Company (as defined under Chapter 20 of the GEM Listing Rules) which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules. Details of the significant related party transactions undertaken in the usual course of business are set out in note 33 to the consolidated financial statements. None of these related party transactions constitute a connected transaction or a continuing connected transaction, which needs to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules.

### RETIREMENT BENEFITS PLAN

Details of the retirement benefits plan of the Group as at 31 May 2021 are set out in the note 6 to the consolidated financial statements.

### 董事收購股份或債權證的權利

除上文所披露者外，於截至2021年5月31日止年度任何時間，本公司、其任何控股公司或其任何附屬公司並無訂立任何安排，致使董事及主要行政人員（包括彼等的配偶及18歲以下的子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中持有任何權益或淡倉。

### 根據一般授權發行新股份

有關本年度已發行的本公司股份詳情載於綜合權益變動表及綜合財務報表附註24。

### 關連交易

截至2021年5月31日止年度，本公司並無須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易（定義見GEM上市規則第20章）。於日常業務過程中進行的重大關連方交易詳情載於綜合財務報表附註33。概無該等關連方交易構成須遵守GEM上市規則的任何申報、公告或獨立股東批准規定之關連交易或持續關連交易。

### 退休福利計劃

本集團於2021年5月31日的退休福利計劃詳情載於綜合財務報表附註6。

# REPORT OF THE DIRECTORS

## 董事會報告

### PERMITTED INDEMNITY PROVISION

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

### EQUITY-LINKED AGREEMENTS

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

### ENVIRONMENTAL POLICIES AND PERFORMANCE

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

### DONATION

During the Year, the Group had made charitable and other donation for approximately RM5,004 (2020: RM11,473).

### CONFIRMATION OF INDEPENDENCE

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

### 獲准許彌償條文

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

### 股本掛鈎協議

除上文所載購股權計劃外，本公司於年內並無訂立任何股本掛鈎協議。

### 環保政策及表現

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

### 捐贈

年內，本集團已作出慈善及其他捐贈約5,004令吉（2020年：11,473令吉）。

### 獨立性確認書

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

# REPORT OF THE DIRECTORS

## 董事會報告

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2021 AGM to be held on Wednesday, 24 November 2021, the register of members of the Company will be closed from Friday, 19 November 2021 to Wednesday, 24 November 2021, both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2021 AGM or any adjournment thereof, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investors Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 18 November 2021.

### AUDITORS

There was no change in auditor since the Listing Date except that with effect from 29 May 2020, Deloitte Plt (LLP0010145-LCA) resigned as auditor of the Company on the ground that it could not reach a mutual consensus with the Company on the audit fees for financial year ended 31 May 2020. Crowe (HK) CPA Limited ("**Crowe**") has been appointed as the auditor of the Company with effect from 1 June 2020 to fill the casual vacancy following the resignation of Deloitte Plt.

The financial statements for the year ended 31 May 2020 and 31 May 2021 have been audited by Crowe who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Crowe as auditor of the Company will be proposed at the forthcoming AGM.

By Order of the Board

**SK Target Group Limited**

**Loh Swee Keong**

*Chairman*

Hong Kong, 27 August 2021

### 暫停辦理股份過戶登記手續

為確定出席本公司將於2021年11月24日(星期三)舉行的2021股東週年大會及在會上投票的資格,本公司將由2021年11月19日(星期五)至2021年11月24日(星期三)(包括首尾兩日)暫停辦理股份過戶登記手續。為符合資格出席2021股東週年大會並於會上投票或其任何續會,所有過戶文件連同有關股票,最遲須於2021年11月18日(星期四)下午四時三十分前,送交本公司的香港股份過戶登記分處卓佳證券登記有限公司,地址為香港皇后大道東183號合和中心54樓,辦理登記手續。

### 核數師

自上市日期起,除於2020年5月29日,Deloitte Plt (LLP0010145-LCA)辭任本公司核數師一職(因此其並未就截至2020年5月31日止財政年度之審計費用與本公司達成一致意見)外,核數師並無變動。國富浩華(香港)會計師事務所有限公司(「**國富浩華**」)已獲委任為本公司核數師,自2020年6月1日生效,以填補Deloitte Plt辭任後之暫時空缺。

截至2020年5月31日及2021年5月31日止年度的財務報表已由國富浩華審核,其將告退並符合資格及願意接受續聘。重新委任國富浩華為本公司核數師的決議案將於應屆的股東週年大會上提呈。

承董事會命

**瑞強集團有限公司**

*主席*

**Loh Swee Keong**

香港, 2021年8月27日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

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

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

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

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

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

### 企業管治常規

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

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

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

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

除上文所披露者外，董事認為，於年內本集團一直遵守企業管治守則的守則條文。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and all Directors confirmed that they have complied with the required standards of dealings and the code of conduct regarding securities transactions by the Directors for the year ended 31 May 2021.

### BOARD OF DIRECTORS

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

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

### OVERALL ACCOUNTABILITY

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

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

### 董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載規定交易準則。本公司亦已向全體董事作出具體查詢，而全體董事確認彼等於截至2021年5月31日止年度一直遵守有關董事進行證券交易的規定交易準則及行為守則。

### 董事會

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

Loh Swee Keong先生為董事會主席（「**主席**」）。

### 全面問責

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

董事及其他高級管理層的履歷詳情載於本報告「董事及高級管理層簡介」一節。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD RESPONSIBILITIES

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

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

### 董事會責任

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

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

### BOARD DIVERSITY POLICY

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

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

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

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

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

### 主席及行政總裁

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

### 董事會多元化政策

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

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

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

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

提名委員會將不時檢討董事會多元化政策，以確保其持續有效。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DELEGATION BY THE BOARD

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

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

### BOARD MEETING, GENERAL MEETING AND PROCEDURES

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

During the year, 10 Board meetings have been held for the discussion and approval of important matters such as the approval of quarterly results, interim results, annual results and dividends, etc. The attendance record of each Director during the year at Board meetings is as follows:

### 董事會指派

董事會指派管理層處理下述主要公司事宜：

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

### 董事會會議、股東大會及程序

董事會定期召開會議，而除例會外，其亦在有特殊情況需要時召開會議。

年內，董事會舉行了10次會議，以討論及批准季度業績、中期業績、全年業績及股息等重要事項。各董事年內出席董事會會議的記錄如下：

Name of Director	董事姓名	Number of Attendance Attended/ Eligible to Attend 出席／合資格出席次數
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. Loh Swee Keong	Loh Swee Keong先生	10/10
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Yau Ka Hei	邱家禧先生	10/10
Mr. Chu Kin Ming	朱健明先生	9/10
Mr. Ma, She Shing Albert	馬希聖先生	10/10



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

### CORPORATE GOVERNANCE FUNCTIONS

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

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

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

Accordingly, Mr. Loh Swee Keong and Mr. Ma, She Shing Albert shall retire at the 2021 AGM and being eligible, offer themselves for re-election.

董事之間並無任何關係（包括財務、業務、家庭或其他重大關係）。

### 企業管治職能

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

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

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

故此，Loh Swee Keong先生及馬希聖先生須於2021年股東週年大會上退任且符合資格並願意重選連任。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The biographical details of above mentioned Directors proposed to be re-elected at the forthcoming annual general meeting are set out in the section headed "Directors and Senior Management Profiles" on pages 16 to 19 of this annual report.

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

### CONTINUOUS PROFESSIONAL DEVELOPMENT

To ensure the Directors' contribution to the Board remains informed and relevant, the Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills relating to the roles, functions and duties of a director of a listed company. During the year ended 31 May 2021, the current Board members participated in the following training programs:

上述建議於應屆股東週年大會上重選連任的董事之履歷詳情載於本年報第16至19頁「董事及高級管理層簡介」一節。

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

### 持續專業發展

為確保董事一直在具備全面資訊及切合所需的情況下對董事會作出貢獻，本公司鼓勵董事參與專業發展課程及研討會，以增進及重溫彼等有關上市公司董事的角色、職能及職責之知識及技能。截至2021年5月31日止年度，現有董事會成員已參與下列培訓計劃：

Name of Directors	董事姓名	Training on corporate governance, regulatory updates on disclosable transactions and connected transactions 有關企業管治、 規管更新須予披露交易及 關連交易的培訓
<b>Executive Director</b>	<b>執行董事</b>	
Loh Swee Keong	Loh Swee Keong	√
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Chu Kin Ming	朱健明	√
Yau Ka Hei	邱家禧	√
Ma She Shing Albert	馬希聖	√

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES

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

### Audit Committee

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

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

The Audit Committee is mainly responsible for the followings:

- (a) to act as the key representative body for overseeing the Company’s relations with the external auditor, and be primarily responsible for making recommendations to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review with the Group’s management, external auditors and internal auditor, the adequacy of the Group’s policies and system regarding internal controls (including financial, operational and compliance controls), risk management system and any statement by the Directors of the Company to be included in the annual accounts prior to endorsement by the Board;

### 董事會委員會

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

### 審核委員會

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

審核委員會目前由三名獨立非執行董事組成，即邱家禧先生、朱健明先生及馬希聖先生。審核委員會主席為朱健明先生。

審核委員會的主要職責如下：

- (a) 擔任本公司與外聘核數師之主要代表，負責監察兩者之間的關係；及主要負責就外聘核數師之委任、重新委任及罷免向董事會提供建議、及批准外聘核數師之薪酬及聘用條款，及處理任何有關該核數師辭任或辭退該核數師之問題；
- (b) 於董事會核准前，與本集團管理層、外聘核數師及內部核數師檢討本集團有關內部監控（包括財務、營運及合規監控）的政策及系統、風險管理系統以及本公司董事於年度賬目內作出的任何聲明是否充分；

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

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

For the year ended 31 May 2021, 4 meetings have been held for the Audit Committee and all the members of the Committee attended the meetings. The unaudited consolidated financial statements of the Group for the period ended 31 August 2020, 30 November 2020 and 28 February 2021; and the audited consolidated financial statements of the Group for the year ended 31 May 2021 have been reviewed by the Audit Committee.

截至2021年5月31日止年度，審核委員會已舉行4次會議且委員會全體成員均出席會議。本集團截至2020年8月31日、2020年11月30日及2021年2月28日止期間的未經審核綜合財務報表；以及本集團截至2021年5月31日止年度的經審核綜合財務報表已由審核委員會審閱。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Remuneration Committee

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

The Remuneration Committee is mainly responsible for the followings:

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

### 薪酬委員會

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

薪酬委員會的主要職責如下：

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

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

For the year ended 31 May 2021, one meeting have been held for the Remuneration Committee and all the members of the Committee attended the meeting to review and make recommendation to the Board on the remuneration policy and the remuneration packages of the Directors.

截至2021年5月31日止年度，薪酬委員會已舉行一次會議以審閱及就薪酬政策及董事的薪酬待遇向董事會提出建議，且委員會全體成員均參加該會議。

Pursuant to code provision B.1.5 of the CG Code, details of the remuneration of the senior management (other than Directors) by bands for the year ended 31 May 2021 are as follows:

根據企業管治守則守則條文第B.1.5條，截至2021年5月31日止年度按層級劃分的高級管理人員（除董事外）的薪酬詳情如下：

	Number of members of senior management 高級管理人員 人數
Nil to HKD1,000,000	4
零港元至1,000,000港元	

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

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

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

### Nomination Committee

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

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

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

本集團按照各董事的資格、經驗及能力以及當前的市場薪酬水平釐定各董事的薪金。

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

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

### 提名委員會

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

提名委員會的主要角色及職能包括以下各項：

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



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

For the year ended 31 May 2021, one meeting have been held for the Nomination Committee and all the members of the Committee attended the meeting to review the independence of the Independent Non-executive Directors, the structure, size and Composition of the Board and the Board diversity policy adopted by the Company.

截至2021年5月31日止年度，提名委員會已舉行一次會議以檢討獨立非執行董事的獨立性、董事會的架構、規模及組成以及本公司所採納的董事會成員多元化政策，且委員會全體成員均出席會議。

### NOMINATION POLICY

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

### 提名政策

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

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### 2020 ANNUAL GENERAL MEETING

Pursuant to the code provision A.6.7 of the CG code, the Independent Non-executive Directors should attend general meetings and develop a balanced understanding of the visions of shareholders. At the 2020 annual general meeting held on 25 November 2020, all the Independent Non-executive Directors attended the meeting.

For the year ended 31 May 2021, the attendance record of each Director is set out in the table below:

### 2020年股東週年大會

根據企業管治守則守則條文第A.6.7條，獨立非執行董事應出席股東大會並對股東的意見有公正瞭解。於2020年11月25日舉行的2020年股東週年大會上，所有獨立非執行董事均已出席大會。

截至2021年5月31日止年度，各董事的出席記錄載於下表：

Name of Directors 董事姓名	Number of attendance/number of meetings for the year ended 31 May 2021 截至2021年5月31日止年度的出席次數/會議次數				
	Board meeting 董事會 會議	Audit Committee meeting 審核委員會 會議	Remuneration Committee meeting 薪酬委員會 會議	Nomination Committee meeting 提名委員會 會議	General meeting 股東大會

#### Executive Directors

##### 執行董事

Mr. Loh Swee Keong Loh Swee Keong 先生	10/10	N/A 不適用	1/1	1/1	1/1
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#### Independent Non-executive Directors

##### 獨立非執行董事

Mr. Yau Ka Hei 邱家禧先生	10/10	4/4	1/1	1/1	1/1
Mr. Chu Kin Ming 朱健明先生	9/10	4/4	1/1	N/A 不適用	1/1
Mr. Ma, She Shing Albert 馬希聖先生	10/10	4/4	N/A 不適用	1/1	1/1

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### ACCOUNTABILITY AND AUDITING

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

The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. The statements by the external Auditor, Crowe (HK) CPA Limited, about their reporting responsibility on the financial statements of the Group are set out in the independent auditor's report on pages 57 to 63 of this annual report.

### INTERNAL CONTROL AND RISK MANAGEMENT

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

### 問責及核數

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

外聘核數師的責任為根據審核結果對董事會所編製的綜合財務報表提出獨立意見，並向本公司股東匯報彼等的意見。外聘核數師國富浩華（香港）會計師事務所有限公司就其對本集團財務報表的申報責任所發表的聲明，載於本年報第57至63頁的獨立核數師報告。

### 內部監控及風險管理

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

In addition, there is no internal audit function within the Group and the Group engaged an independent internal control consultant ("**Internal Control Consultant**") to conduct an annual review for the year ended 31 May 2021 of the effectiveness of the Group's risk management and internal control systems in various material aspects including financial, operational and compliance controls. Based upon the recommendations from the Internal Control Consultant, the Group has taken remedial actions. Further, in order to continuously improve the Group's corporate governance in the future the Group will adopt the measures recommended by the Internal Control Consultant.

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

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

此外，本集團並無內部審核職能且本集團已委聘一名獨立內部控制顧問（「**內部控制顧問**」）以從若干重大方面（包括財務、營運及合規控制）對本集團風險管理及內部控制系統的有效性進行截至2021年5月31日止年度的年度審核。根據內部監控顧問的建議，本集團已採取補救措施。此外，務求在日後持續改善本集團的企業管治，本集團將採納內部監控顧問建議的措施。

根據上述檢討結果，本公司認為內部監控及風險管理系統已妥為制定並有效地實施。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDITORS' REMUNERATION

For the year ended 31 May 2021, the remuneration paid or payable to Crowe (HK) CPA Limited in respect of the statutory audit services and non-audit services for the Group are as follows:

### 核數師酬金

截至2021年5月31日止年度，本集團就法定審核服務及非審核服務已付或應付國富浩華（香港）會計師事務所有限公司的酬金如下：

Nature of Services		Fee paid/ payables
服務性質		已付／應付 的費用
		HKD000 千港元
Audit services	審核服務	890
Non-audit services	非審核服務	-

### DIVIDEND POLICY

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

### 股息政策

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

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

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

- financial results;
  - cash flow situation;
  - business conditions and strategies;
  - future operations and earnings;
  - capital requirements and expenditure plans;
  - interests of shareholders;
  - any restrictions on payment of dividends; and
  - any other factors that the Board may consider relevant.
- 財務業績；
  - 現金流量狀況；
  - 業務狀況及策略；
  - 未來營運及盈利；
  - 資金需求及支出計劃；
  - 股東權益；
  - 派付股息之任何限制；及
  - 董事會可能認為相關之任何其他因素。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

### COMPANY SECRETARY

Mr. Leung Tze Wai was appointed as the Company Secretary of the Company on 1 November 2018. All Directors have access to the Company Secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed. Mr. Leung taken no less than 15 hours of relevant professional training for the year ended 31 May 2021. The biographical details of Mr. Leung are set out under the section headed "Directors and Senior Management Profile" on pages 19 of this annual report.

### SHAREHOLDERS' RIGHTS

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

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

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

### 公司秘書

梁子煒先生已於2018年11月1日獲委任為本公司的公司秘書。全體董事均可尋求公司秘書的協助，以確保董事會的程序及所有適用法例、規則及規例已獲遵從。梁先生已於截至2021年5月31日止年度接受不少於15小時的相關專業培訓。梁先生的履歷詳情載於本年報第19頁「董事及高級管理層簡介」一節。

### 股東權利

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

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

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

- (a) EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition (the “**Requisition**”), not less than one tenth of the paid up capital of the Company having the right of voting at general meetings (the “**Eligible Shareholders**”). Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition;
- (b) The Eligible Shareholders must deposit the Requisition to the principal place of business of the Company in Hong Kong at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong or to Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for the attention of the Board and/or the Company Secretary;
- (c) If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### 與股東及投資者的溝通

#### 股東召開股東特別大會（「股東特別大會」）的程序

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

- (a) 股東特別大會須應一名或多名股東的請求（「請求」）召開，該等股東於提出請求當日須持有本公司繳足股本不少於十分之一且擁有在股東大會上投票的權利（「合資格股東」）。有關請求須以書面形式向董事會或秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須在送交該請求後兩個月內舉行；
- (b) 合資格股東須將有關請求送交本公司香港主要營業地點（地址為香港九龍尖沙咀柯士甸路22-26號好兆年行14樓1406-08室）或本公司的香港股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心54樓），並註明收件人為董事會及／或公司秘書；
- (c) 如董事會在有關送交日期起計21日內未有進行安排召開有關會議，則請求人（或多名請求人）可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而產生的所有合理費用須由本公司償付。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

### Procedures for putting forward proposals at Shareholders' meeting

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

### Procedures for raising enquiries

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

Should there are any enquiries and concerns from shareholders, they may direct their enquiries about their shareholdings to the Company's Hong Kong share registrar and transfer office, Tricor Investors Limited, by post to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or via telephone at (852) 2980 1333. Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

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

### 於股東大會提出建議之程序

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

### 提出查詢的程序

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

股東如有任何查詢及疑問，可透過郵寄至香港皇后大道東183號合和中心54樓或透過電話(852) 2980 1333向本公司的香港股份過戶登記處卓佳證券登記有限公司提出有關其名下持股的問題。股東提出問題時，務請留下詳細聯絡資料以便本公司適時迅速回應。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INVESTORS RELATIONS

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

### CONSTITUTIONAL DOCUMENTS

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

### HANDLING AND DISSEMINATION OF INSIDE INFORMATION

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

### 投資者關係

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

### 章程文件

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

### 內幕消息的處理及傳播

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



國富浩華（香港）會計師事務所有限公司  
**Crowe (HK) CPA Limited**  
香港 銅鑼灣 禮頓道77號 禮頓中心9樓  
9/F Leighton Centre,  
77 Leighton Road,  
Causeway Bay, Hong Kong

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SK TARGET GROUP LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

#### Opinion

We have audited the consolidated financial statements of **SK TARGET GROUP LIMITED** (the “**Company**”) and its subsidiaries (collectively referred to as “the **Group**”) set out on pages 64 to 159, which comprise the consolidated statement of financial position as at 31 May 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 May 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 致瑞強集團有限公司 全體股東的獨立核數師報告

*(於開曼群島註冊成立的有限公司)*

#### 意見

我們已審核第64至159頁所載**瑞強集團有限公司**（「**貴公司**」）及其附屬公司（統稱「**貴集團**」）的綜合財務報表，該等綜合財務報表包括於2021年5月31日的綜合財務狀況表與截至該日止本年度止的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註（包括重大會計政策概要）。

我們認為，財務報表已根據國際會計準則理事會（「**國際會計準則理事會**」）頒佈的國際財務報告準則（「**國際財務報告準則**」）真實而中肯地反映 貴集團於2021年5月31日的綜合財務狀況以及截至該日止年度的綜合財務表現及綜合現金流量並已根據香港公司條例的披露規定妥為編製。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matter are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 意見基礎

我們已根據香港會計師公會（「香港會計師公會」）頒佈的香港審計準則（「香港審計準則」）進行審核。我們在該等準則下的責任於我們報告內「核數師就審核綜合財務報表須承擔的責任」一節中進一步論述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），我們獨立於貴集團，並已根據守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的意見提供基礎。

### 關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期間綜合財務報表的審核最為重要的該等事項。該等事項在我們審核貴集團整體綜合財務報表及出具意見時進行處理。我們不會對該等事項提供單獨的意見。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

### 關鍵審核事項 (續)

#### Impairment assessment of trade receivables

#### 貿易應收款項減值評估

#### How our audit addressed the key audit matter

#### 我們的審核如何處理關鍵審核事項

We identified the impairment assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables at the end of the reporting period.

由於貿易應收款項對 貴集團綜合財務狀況之重要性及於評估 貴集團貿易應收款項於報告期末的預期信貸虧損（「預期信貸虧損」）時作出的主觀判斷及管理層估計，我們將貿易應收款項減值評估識別為關鍵審核事項。

As at 31 May 2021, the Group's net trade receivables is RM7,645,000, which represented approximately 18% of total assets of the Group and out of those trade receivables of approximately RM7,329,000 were past due.

於2021年5月31日，貴集團之貿易應收款項淨額為7,645,000令吉，約佔 貴集團總資產的18%，且其中約7,329,000令吉的貿易應收款項已逾期。

As disclosed in note 27(b) to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables based on estimated loss rate, which is determined based on the management's assessment on the individual customer's credit risk grading dependent on the individual customer's financial performance, adjusted for factors that are specific to the debtors, and any forward-looking information without undue cost or effort, including time value of money where appropriate.

如綜合財務報表附註27(b)所披露，貴集團管理層根據估計虧損率估計貿易應收款項的全期預期信貸虧損金額，而估計虧損率乃根據管理層對個別客戶的信貸風險評估而釐定。評級取決於個人客戶的財務業績，根據債務人特定的因素以及無需付出過多成本或努力即可獲得的任何前瞻性資料(包括貨幣時間價值(如適當)) 調整。

As disclosed in note 18 to the consolidated financial statements, the Group's lifetime ECL on trade receivables as at 31 May 2021 amounted to approximately RM2,828,000.

如綜合財務報表附註18所披露，貴集團於2021年5月31日的貿易應收款項的全期預期信貸虧損約為2,828,000令吉。

Our procedures in relation to the impairment assessment of trade receivables included:

我們有關貿易應收款項減值評估的程序包括：

- Understanding key controls on how the management estimates the loss allowance for trade receivables;
- 瞭解管理層估計貿易應收款項虧損撥備之關鍵監控措施；
- Challenging management's basis and judgement in determining credit loss allowances on trade receivables as at 31 May 2020, including their identification of credit impaired trade receivables, and the basis of estimated loss rate such as customers' credit risk grading dependent on the customers' financial performance, historical loss rates and forward-looking information;
- 質疑管理層釐定於2020年5月31日的貿易應收款項信貸虧損撥備之基礎及判斷，包括彼等對信貸減值貿易應收款項之識別以及有關估計虧損率（如視乎客戶財務表現、歷史違約率及前瞻性資料計算的客戶信貸風險評級）之基準；
- Evaluating the disclosures regarding the impairment assessment of trade receivables in notes 18 and 27(b) to the consolidated financial statements; and
- 評估綜合財務報表附註18及27(b)中有關貿易應收款項減值評估的披露；及
- Testing subsequent settlements of credit-impaired trade receivables, on a sample basis, by inspecting supporting documents in relation to cash receipt from trade receivables subsequent to the end of the current reporting period.
- 通過檢查當前報告期後有關貿易應收款項的現金收款情況抽樣測試信貸已減值貿易應收款項的後續償付。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, but does not include the consolidated financial statements of the Group and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

### 綜合財務報表及其核數師報告以外的資料

董事須對其他資料承擔責任。其他資料包括年報所載的所有資料，惟不包括 貴集團的綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表發表的意見並未涵蓋其他資料，且我們亦不對該等其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。

倘若我們基於已完成的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。就此而言，我們並無需要報告的事項。

### 董事就綜合財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，及其認為就確保綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部控制。

在編製的綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事有意將 貴集團清盤或停止營運，或別無其他實際可行的替代方案，否則董事須採用以持續經營為基礎的會計法。

審核委員會協助董事負責監督 貴集團之財務申報流程。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

### 核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告，而根據雙方協定之委聘條款，本報告不得用作其他用途。我們並不就本報告內容向任何其他人士承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

我們根據香港審計準則進行審核的工作之一，是運用專業判斷，在整個審核過程中抱持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計於相關情況下屬適當的審核程序，但目的並非對貴集團內部監控的成效發表意見。
- 評估董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

### 核數師就審核綜合財務報表須承擔的 責任 (續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有可能對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若我們總結認為有重大不確定因素，我們須在核數師報告中提請注意貴集團綜合財務報表內的相關披露，或如果相關披露不足，則修訂我們的意見。我們的結論基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括資料披露）的整體列報、架構和內容，以及 貴集團的綜合財務報表是否已中肯地列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足及恰當的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們就審核工作的計劃範圍和時間、在審核過程中的主要審核發現（包括內部監控的任何重大缺失）及其他事項與審核委員會進行溝通。

我們亦向 貴公司董事作出聲明，確認我們已遵守有關獨立性的專業道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及消除威脅的行動或採取的防範措施（如適用），與審核委員會進行溝通。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Crowe (HK) CPA Limited**  
*Certified Public Accountants*  
Hong Kong

27 August 2021

Alvin Yeung Sik Hung  
Practising Certificate Number P05206

### 核數師就審核綜合財務報表須承擔的 責任 (續)

我們通過與審核委員會溝通，確定本期間綜合財務報表審核工作的最重要事項，即關鍵審核事項。除非法律或法規不容許公開披露此等事項，或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

國富浩華（香港）會計師事務所有限公司  
執業會計師  
香港

2021年8月27日

楊錫鴻  
執業證書編號P05206



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MAY 2021  
截至 2021 年 5 月 31 日止年度

			2021	2020
			2021年	2020年
			RM'000	RM'000
			千令吉	千令吉
		Notes 附註		
Revenue	收入	5	22,621	23,012
Cost of sales	銷售成本		(17,089)	(16,330)
<b>Gross profit</b>	<b>毛利</b>		<b>5,532</b>	<b>6,682</b>
Other income	其他收入		628	945
Administrative expenses	行政開支		(9,032)	(10,361)
Selling and distribution expenses	銷售及分銷開支		(1,206)	(1,007)
Finance costs	融資成本	8	(99)	(225)
Loss before taxation	除稅前虧損	9	(4,177)	(3,966)
Taxation	稅項	10	(676)	(462)
Loss for the year	年內虧損		(4,853)	(4,428)
Other comprehensive loss item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的其他全面虧損項目：			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		(333)	320
Total comprehensive loss for the year	年內全面虧損總額		(5,186)	(4,108)
Loss per share:	每股虧損：			(Restated) (經重列)
Basic (RM cent)	基本 (仙令吉)	11	(5.47)	(5.67)

The notes on pages 71 to 159 form an integral part of these consolidated financial statements.

71至159頁附註構成此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

			2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
		Notes 附註		
<b>Non-Current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	4,932	4,133
Investment property	投資物業	15	361	371
Right-of-use assets	使用權資產	14	1,720	3,649
Equity investment	股權投資	16	22	561
Deferred tax assets	遞延稅項資產	23	32	32
<b>Total Non-Current Assets</b>	<b>非流動資產總值</b>		<b>7,067</b>	<b>8,746</b>
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	17	2,076	2,336
Receivables, deposits and prepayments	應收款項、按金及預付款	18	9,857	12,023
Amount owing from ultimate holding company	應收最終控股公司款項	19	24	17
Amount owing from a shareholder	應收股東款項	19	11	13
Tax recoverable	可收回稅項		174	205
Short-term bank deposits	短期銀行存款	20	10,080	10,135
Cash on hand and at bank	手頭及銀行現金	20	13,121	12,712
<b>Total Current Assets</b>	<b>流動資產總值</b>		<b>35,343</b>	<b>37,441</b>
<b>Current Liabilities</b>	<b>流動負債</b>			
Payables and accrued charges	應付款項及應計費用	21	7,152	6,532
Lease liabilities	租賃負債	22	425	2,360
<b>Total Current Liabilities</b>	<b>流動負債總額</b>		<b>7,577</b>	<b>8,892</b>
<b>Net Current Assets</b>	<b>淨流動資產</b>		<b>27,766</b>	<b>28,549</b>
<b>Total Assets Less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>34,833</b>	<b>37,295</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

			2021	2020
		Notes	2021年	2020年
		附註	RM'000	RM'000
			千令吉	千令吉
<b>Non-Current Liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	22	1,102	1,020
Deferred tax liabilities	遞延稅項負債	23	143	167
<b>Total Non-Current Liabilities</b>	<b>非流動負債總額</b>		<b>1,245</b>	<b>1,187</b>
<b>Net Assets</b>	<b>淨資產</b>		<b>33,588</b>	<b>36,108</b>
<b>Capital and Reserves</b>	<b>股本及儲備</b>			
Share capital	股本	24	4,277	3,765
Reserves	儲備	25	29,311	32,343
<b>Total Equity</b>	<b>權益總額</b>		<b>33,588</b>	<b>36,108</b>

The consolidated financial statements on pages 64 to 159 were approved and authorised for issue by the Board of Directors on and are signed on its behalf by:

載於第64至159頁的綜合財務報表由董事會批准並授權刊發，並由下列董事代表簽署：

**Loh Swee Keong**

**Chu Kin Ming**

Director

朱健明

董事

Independent Non-Executive Director

獨立非執行董事

The notes on pages 71 to 159 form an integral part of these consolidated financial statements.

71至159頁附註構成此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

		Share capital	Share premium	Other reserve	Translation reserve	Accumulated loss	Total
		股本	股份溢價	其他儲備	匯兌儲備	累積虧損	總計
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉	千令吉
<b>At 1 June 2019</b>	<b>於2019年6月1日</b>	3,382	19,891	8,579	(583)	4,165	35,434
Loss for the year	年內虧損	-	-	-	-	(4,428)	(4,428)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	320	-	320
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	320	(4,428)	(4,108)
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股發行認購股份	383	4,399	-	-	-	4,782
<b>At 31 May 2020</b>	<b>於2020年5月31日</b>	3,765	24,290	8,579	(263)	(263)	36,108

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

		Share capital	Share premium	Other reserve	Translation reserve	Accumulated loss	Total
		股本	股份溢價	其他儲備	匯兌儲備	累積虧損	總計
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉	千令吉
<b>At 1 June 2020</b>	<b>於2020年6月1日</b>	<b>3,765</b>	<b>24,290</b>	<b>8,579</b>	<b>(263)</b>	<b>(263)</b>	<b>36,108</b>
Loss for the year	年內虧損	-	-	-	-	(4,853)	(4,853)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	(333)	-	(333)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(333)	(4,853)	(5,186)
Issue of subscription shares by newly allotted ordinary shares	透過新配發普通股發行認購股份	512	2,154	-	-	-	2,666
<b>At 31 May 2021</b>	<b>於2021年5月31日</b>	<b>4,277</b>	<b>26,444</b>	<b>8,579</b>	<b>(596)</b>	<b>(5,116)</b>	<b>33,588</b>

The notes on pages 71 to 159 form an integral part of these consolidated financial statements.

71至159頁附註構成此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss before taxation	除稅前虧損	(4,177)	(3,966)
Adjustments for:	就以下各項作出調整：		
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	730	982
Investment property	投資物業	10	10
Right-of-use assets	使用權資產	1,113	2,326
Bad debts written off	壞賬撇銷	408	142
Write off of credit-impaired trade receivables	撇銷信貸減值的貿易應收款項	(7)	-
Inventory written off	存貨撇銷	213	-
Allowance for credit losses	信貸虧損撥備	2,462	1,133
Finance costs	融資成本	99	225
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	45	-
Loss on fair value change on equity investment	股權投資公平值變動虧損	511	-
Unrealised (gain)/loss on foreign exchange	未變現外匯(收益)/虧損	(277)	826
Lease modification	租賃修改	(31)	-
Interest income	利息收入	(252)	(419)
Operating profit before working capital changes	營運資金變動前的經營利潤	847	1,259
Movements in working capital:	營運資金變動：		
Decrease/(Increase) in:	下列各項減少/(增加)：		
Inventories	存貨	47	(556)
Receivables, deposits and prepayments	應收款項、按金及預付款	(697)	203
Increase/(Decrease) in:	下列各項增加/(減少)：		
Payables and accrued charges	應付款項及應計費用	620	(243)
Repayment from/(advance to) a shareholder	來自一名股東的還款/(向一名股東作出的墊款)	2	(6)
Advance to ultimate holding Company	向最終控股公司作出的墊款	(7)	(8)
Net Cash Generated From Operations	營運所得現金淨額	812	649
Income tax paid	已付所得稅	(690)	(212)
Net Cash Generated From Operating Activities	經營活動所得現金淨額	122	437

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

AS AT 31 MAY 2021  
於 2021 年 5 月 31 日

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Interest received	已收利息	252	419
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,746)	(331)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	160	-
Decrease/(Increase) in pledged short-term bank deposits	已抵押短期銀行存款減少/(增加)	55	(101)
Purchase of equity investment	購入權益投資	-	(561)
<b>Net Cash Used In Investing Activities</b>	<b>投資活動所用現金淨額</b>	<b>(1,279)</b>	<b>(574)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Proceeds from issue of shares	發行股份所得款項	2,666	4,782
Finance costs paid	已付融資成本	(10)	(39)
Capital element of lease rentals paid	已付租金之資本部分	(1,004)	(2,098)
Interest element of lease rentals paid	已付租金之利息部分	(89)	(186)
<b>Net Cash Generated From Financing Activities</b>	<b>融資活動所得現金淨額</b>	<b>1,563</b>	<b>2,459</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加淨額</b>	<b>406</b>	<b>2,322</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>年初現金及現金等價物</b>	<b>21,712</b>	<b>19,909</b>
Effects of exchange differences	匯兌差額的影響	(74)	(519)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (note 20)</b>	<b>年末現金及現金等價物 (附註20)</b>	<b>22,044</b>	<b>21,712</b>

The notes on pages 71 to 159 form an integral part of these consolidated financial statements.

71至159頁附註構成此等綜合財務報表的一部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1. GENERAL INFORMATION

SK Target Group Limited (the “Company”) was incorporated in the Cayman Islands with limited liability on 28 October 2016 and its ordinary shares are listed on the GEM of The Stock Exchange of Hong Kong Limited since 19 July 2017. The addresses of the registered office and principal place of business 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, is the ultimate controlling party of the Company who wholly owns Merchant World.

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia, Japanese catering services and sourcing service of materials in Hong Kong. The principal activities and other particulars of the subsidiary companies are set out in note 31.

### 1. 一般資料

瑞強集團有限公司（「本公司」）於2016年10月28日於開曼群島註冊成立為有限公司，且其普通股已自2017年7月19日起於香港聯合交易所有限公司GEM上市。註冊辦事處地址及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**」，一家在英屬處女群島（「**英屬處女群島**」）註冊成立的有限公司）是本公司的直接及最終控股公司。Loh Swee Keong先生為本公司的最終控制方，並全資擁有Merchant World。

本公司是一家投資控股公司，而本集團的主要業務為於馬來西亞從事預製混凝土接線盒的製造和貿易、配件及管道貿易以及提供移動式起重機租賃及配套服務、於香港從事日本餐廳及物料採購服務。附屬公司的主要業務及其他詳情載於附註31。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in IFRS Standards* and the following amendments to IFRSs issued by the IASB that are first effective for the current accounting period of the Group:

Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 3	Definition of a Business
Amendments to IFRS 9, IAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the *Amendments to References to the Conceptual Framework in IFRS Standards* and the amendments to IFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. 應用經修訂國際財務報告準則

於本年度，本集團已應用國際會計準則委員會頒佈於本集團現行會計期間首次生效的國際財務報告準則準則*概念框架的提述*（修訂本）以及下列國際財務報告準則之修訂本：

國際會計準則第1號及 國際會計準則第8號 （修訂本）	重大之定義
國際財務報告準則第3號 （修訂本）	業務之定義
國際財務報告準則第9號、 國際會計準則第39號及 國際財務報告準則第7號 （修訂本）	利率基準改革

於本年度應用*國際財務報告準則準則概念框架的提述*（修訂本）及該等國際財務報告準則修訂本並無對本年度及過往年度的本集團財務狀況及表現及／或該等綜合財務報表所載的披露造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of Stock Exchange (the “GEM Listing Rules”). Significant accounting policies adopted by the Company and its subsidiaries (collectively referred as “the Group”) are disclosed below.

The IASB has issued certain new and revised IFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

The consolidated financial statements for the year ended 31 May 2021 comprise the Group.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). These consolidated financial statements are presented in Ringgit Malaysia (“RM”), rounded to the nearest thousand (RM’000), unless otherwise stated. RM is the Company’s functional currency and the Group’s presentation currency.

### 3. 重大會計政策概要

#### (a) 編製基準

該等綜合財務報表乃按照國際會計準則理事會（「國際會計準則理事會」）頒佈之所有適用的國際財務報告準則（「國際財務報告準則」）（此統稱包括所有適用的個別國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋）以及香港公司條例的披露規定編製。該等綜合財務報表亦符合聯交所GEM證券上市規則（「GEM上市規則」）的適用披露條文。本公司及其附屬公司（統稱為「本集團」）所採納之重大會計政策披露如下。

國際會計準則理事會已頒佈若干於本集團現行會計期間首次生效或可供提早採納之新訂及經修訂國際財務報告準則。附註2提供因首次應用該等修訂所產生而與本集團現行及過往會計期間相關並在該等財務報表內反映之任何會計政策變動的資料。

截至2021年5月31日止年度的綜合財務報表包括本集團。

本集團各實體財務報表所包含之項目乃採用該實體經營所在地之主要經濟環境之貨幣（「功能貨幣」）計量。該等綜合財務報表乃以馬來西亞令吉（「令吉」）呈列，除另有說明外，有關金額均約整至最接近的千位數（千令吉）。本公司之功能貨幣及本集團之呈列貨幣均為馬來西亞令吉。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have a significant effect on the financial statements and major source of estimation uncertainty are discussed in note 4.

The consolidated financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

### 3. 重大會計政策概要 (續)

#### (a) 編製基準 (續)

編製符合國際財務報告準則的財務報表需要管理層作出會影響政策應用及資產、負債、收入與開支的報告金額的判斷、估計及假設。估計及有關假設乃基於過往經驗及多個被認為在有關情況下屬合理的其他因素而作出，所得結果乃用作判斷無法輕易自其他來源得知之資產及負債賬面值的依據。實際結果或會有別於該等估計。

估計及相關假設按持續基準審閱。倘修訂僅影響估計作出修訂的期間，則會計估計修訂會於該期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

管理層在應用國際財務報告準則過程中所作出對財務報表具有重大影響之判斷及估計不明朗因素之主要來源披露於附註4。

綜合財務報表乃按歷史成本法編製。

已採納的主要會計政策載於下文。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary company begins when the Group obtains control over the subsidiary company and ceases when the Group loses control over the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary company.

Where necessary, adjustments are made to the financial statements of a subsidiary company to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 3. 重大會計政策概要 (續)

#### (b) 合併基準

綜合財務報表包括本公司及其附屬公司的財務報表。當本公司符合下列情況，則視為取得控制權：

- 有權力控制投資對象；
- 參與投資對象的業務而取得或有權取得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對投資對象擁有控制權。

附屬公司的綜合入賬於本集團取得附屬公司的控制權起開始，並於本集團失去附屬公司的控制權時終止。具體而言，年內所收購或出售附屬公司的收入及開支乃自本集團取得控制權的日期起計入綜合全面收益表，直至本集團不再控制附屬公司的日期為止。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策相符。

有關本集團成員公司之間交易的所有集團內公司間的資產、負債、股權、收入、開支及現金流量於綜合時悉數對銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment

The following items of property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses (see note 3 (g)):

- interests in leasehold land and buildings where the Group is the registered owner of the property interest (see note 3 (h));
- right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 3 (h)).

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 3. 重大會計政策概要 (續)

#### (c) 物業、廠房及設備

以下物業、廠房及設備項目(在建工程除外)乃按成本減去累計折舊及減值虧損列賬(見附註3(g)):

- 租賃持有之土地及樓宇之權益且本集團為該等物業權益的註冊擁有人(見附註3(h));
- 以租賃持有之物業且本集團並非該等物業權益的註冊擁有人所產生的使用權資產; 及
- 廠房及設備項目, 包括相關廠房及設備租賃所產生的使用權資產(見附註3(h))。

確認折舊是用直線法在資產的估計可使用年期內撇銷其成本減其剩餘價值。估計可使用年期、剩餘價值及折舊方法均於各報告期末時檢討, 而估計的任何變動的影響則預先入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。物業、廠房及設備項目於出售或報廢時產生的任何盈虧, 乃按銷售所得款項與該資產的賬面值兩者間的差額釐定, 並於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

#### (e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 重大會計政策概要 (續)

#### (d) 投資物業

投資物業是持有以用來賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業乃按成本減其後累計折舊及任何累計減值虧損列賬。折舊獲確認以按投資物業的估計可使用年期以直線法撇銷其成本。

投資物業於出售時或於投資物業永久不再使用且預期出售不會產生未來經濟利益時取消確認。取消確認物業產生的任何收益或虧損（按出售所得款項淨額與資產賬面值之間差額計算）會計入取消確認物業期間的損益。

#### (e) 存貨

存貨按成本及可變現淨值兩者中的較低者列賬。存貨成本採用加權平均成本法計算。可變現淨值代表存貨估計售價減所有估計完成成本及進行銷售所需成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具

當集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。所有日常購買或出售的金融資產均按交易日基準確認及終止確認。日常購買或出售指按於市場規則或慣例確立的時限內交付資產的金融資產購買或出售。

金融資產及金融負債初步按公平值計量，惟自客戶合約產生的貿易應收款項除外，其初步根據國際財務報告準則第15號計量。收購或發行金融資產及金融負債直接應佔的交易成本乃於初步確認時計入金融資產或金融負債的公平值，或從其公平值扣除（如適用）。

實際利率法為計算金融資產或金融負債的攤銷成本及按相關期間分配利息收入及利息開支的方法。實際利率為於金融資產或金融負債的預期年期或（如適用）較短期間內將估計未來現金收入及付款（包括構成實際利率不可或缺一部分的所有已付或已收費用及貼息、交易成本以及其他溢價或折讓）準確貼現為於初步確認時之賬面淨值的利率。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets

*Classification and subsequent measurement of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross earning amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產

*金融資產的分類及後續計量*

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃以目的為收取合約現金流量的業務模式持有；及
- 合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金金額的利息。

攤銷成本及利息收入

就其後按攤銷成本計量的金融資產，利息收入使用實際利率法確認。就並非收購或產生的信貸已減值金融資產的金融工具，利息收入使用實際利率按金融資產賬面總值計算，惟其後信貸已減值的金融資產除外（見下文）。就其後信貸已減值的金融資產，利息收入乃自下一個報告期間起使用實際利率按金融資產的攤銷成本確認。倘信貸減值金融工具的信貸風險改善，金融資產不再信貸減值，則利息收入自釐定資產不再信貸減值後的報告期初起使用實際利率按金融資產的賬面總值確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 including receivables and deposits, amount owing from ultimate holding company, amount owing from a shareholder, short-term bank deposits and cash at bank. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the management’s assessment on the individual customer’s credit risk grading dependent on the customer’s financial performance, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Other financial asset measured at fair value, including equity securities measured at fair value through profit or loss (FVPL) are not subject to the ECL assessment.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值

本集團就根據國際財務報告準則第9號面臨減值的金融資產(包括應收款項及按金、應收最終控股公司款項、應收股東款項、短期銀行存款及銀行現金)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新,以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具於預計全期內所有可能違約事件產生的預期信貸虧損。相反,12個月預期信貸虧損(「**12個月預期信貸虧損**」)指預計於報告日期後12個月內可能發生的違約事件產生的部分全期預期信貸虧損。評估乃根據管理層對個別客戶的信貸風險等級之評估,並就債務人特定因素、一般經濟狀況以及對於報告日期之當時狀況及未來狀況預測的評估作調整。

本集團始終確認貿易應收款項的全期預期信貸虧損。該等資產的預期信貸虧損進行個別評估。

就所有其他工具而言,本集團計量虧損撥備等於12個月預期信貸虧損,除非當信貸風險自初始確認以來顯著上升,則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃根據自初始確認以來發生違約的可能性或風險顯著上升。

按公平值計量的其他金融資產(包括按公平值計入損益(按公平值計入損益)的權益證券)無須進行預期信貸虧損評估。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

##### (i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

##### (i) 信貸風險大幅增加

於評估信貸風險是否自初始確認以來大幅增加時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部 (如有) 或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

- (ii) Definition of default
- For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

- (i) 信貸風險大幅增加 (續)
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明則當別論。

本集團定期監控用以識別信用風險有否大幅增加之標準的效力，並修訂標準（如適當）以確保標準能在金額逾期前識別信貸風險大幅增加。

- (ii) 違約的定義
- 就內部信貸風險管理而言，本集團認為，違約事件在內部制定或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款時發生。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

##### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

##### (iii) 信貸已減值金融資產

金融資產在一項或以上違約事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人的重大財務困難；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人因有關借款人財務困難的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- (d) 借款人將可能陷入破產或其他財務重組；或
- (e) 該金融資產的活躍市場因財務困難而消失。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

#### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

#### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

#### (iv) 撇銷政策

倘有資料顯示對手方面對嚴重財務困難，且實際上並無收回款項的前景（如對手方被清盤或進入破產程序，或（如為貿易應收款項）金額已逾期超過兩年（以較早發生者為準）），則本集團會撇銷金融資產。經考慮法律意見後（倘合適），撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回於損益中確認。

#### (v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率（即違約損失程度）及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的歷史數據評估。預期信貸虧損的預估乃無偏概率加權平均金額，以發生違約的風險為權重確定。

一般而言，預期信貸虧損按本集團根據合約應收的所有合約現金流量與本集團預計收取的所有現金流量的差額估計，並按初始確認時釐定的實際利率貼現。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

##### (v) Measurement and recognition of ECL (Continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

##### (v) 預期信貸虧損的計量及確認 (續)

本集團通過調整賬面值於損益內確認所有金融工具的減值收益或虧損，惟貿易應收款項除外，其相應調整透過虧損撥備賬確認。

一間集團實體發行的債務及股本工具乃根據合約安排內容及就金融負債及股本工具的定義分類為金融負債或股本。

#### 股本工具

股本工具是指證明任何在扣除所有負債後實體的資產剩餘權益的合約。集團實體發行的股本工具乃按已收所得款項(扣除直接發行成本)確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Equity investment

The Group's policies for investments in equity securities, other than investments in subsidiaries and associates, are as follows:

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at fair value through other comprehensive income (FVOCI) (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 3(l).

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values, it is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount recognised initially less, where appropriate the cumulative amount of income recognised in accordance to the principles of IFRS 15.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 股本投資

本集團的權益證券投資政策(投資於附屬公司及聯營公司除外)如下:

權益證券投資均會被分類為按公平值計入損益, 除非該權益投資並非持作買賣, 並在初始確認投資時本集團作出不可撤銷的選擇指定按公平值計入其他全面收益(按公平值計入其他全面收益)(不可轉回), 以致後續公平值變動在其他全面收益中確認。該等選擇以個別工具基準作出, 但只有當投資符合發行人角度下的股本定義時方可進行。若作出此選擇, 在該投資被出售前, 於其他全面收益中累計的金額仍保留在公平值儲備(不可轉回)中。在出售時, 公平值儲備(不可轉回)中累計的金額會轉入保留溢利, 且不會轉入損益。來自權益證券投資的股息, 不論是否分類為按公平值計入損益或按公平值計入其他全面收益, 均按照附註3(l)所載政策在損益中確認為其他收入。

##### 財務擔保合約

財務擔保合約為要求發行人作出特定付款以償付持有人因特定債務人未能根據債務工具的條款償還到期款項而招致損失的合約。財務擔保合約負債初步按其公平值計量, 則其後按下列較高者計量:

- 根據國際財務報告準則第9號釐定的虧損撥備金額; 及
- 初步確認的金額減(倘適用)根據國際財務報告準則第15號的原則確認的收入累計金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial instruments (Continued)

##### Other financial liabilities

The Group's other financial liabilities including payables and accrued charges and amount owing to a director are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the considerations paid and payable is recognised in profit or loss.

#### (g) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 3. 重大會計政策概要 (續)

#### (f) 金融工具 (續)

##### 其他金融負債

本集團的其他金融負債(包括應付款項及應計費用以及應付董事款項)其後以實際利息法按攤銷成本計量。

##### 終止確認金融負債

本集團乃於及僅於本集團之責任獲解除、註銷或到期時終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之間之差額於損益確認。

#### (g) 非金融資產減值

本集團於各報告期末審閱其非金融資產的賬面值，以釐定是否有任何跡象顯示該等資產有減值虧損。如有任何該等跡象，則估計該項資產的可收回金額以釐定減值虧損(如有)的程度。倘無法估計個別資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。當可確定合理一致的分配基準時，則公司資產亦分配至個別現金產生單位，否則，公司資產將分配至能確定合理一致分配基準的最小現金產生單位組別。

可收回金額為公平值減出售成本與使用價值兩者的較高者。於評估使用價值時，估計未來現金流量會採用稅前折現率折現至其現值，而該稅前折現率可反映對貨幣時間價值及資產(其未來現金流量估計未經調整)特定風險的現時市場評估。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Impairment of non-financial assets

(Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### (h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

### 3. 重大會計政策概要 (續)

#### (g) 非金融資產減值 (續)

倘估計資產(或現金產生單位)的可收回金額低於其賬面值,則資產(或現金產生單位)的賬面值將減少至其可收回金額。減值虧損即時於損益確認。

倘減值虧損其後撥回,則有關資產(或現金產生單位)的賬面值會調高至經修訂的估計可收回金額,惟調高後的賬面值不可超過有關資產(或現金產生單位)於過往年度並無確認減值虧損時應釐定的賬面值。減值虧損撥回即時於損益確認。

#### (h) 租賃資產

在合同訂立之時,本集團評估合同是否為租賃或者包含租賃。倘合同於一段時間內轉讓已識別資產的使用控制權以換取代價,則該合同為租賃或包含租賃。倘客戶已有權指示已識別資產的用途以及從該用途中獲得絕大部分經濟利益時,即表示控制權已轉讓。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Leased assets (Continued)

##### (i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

### 3. 重大會計政策概要 (續)

#### (h) 租賃資產 (續)

##### (i) 作為承租人

倘合約包含租賃部分及非租賃部分，本集團已選擇不區分非租賃部分，並就所有租賃將各租賃部分及任何相聯非租賃部分入賬為單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值資產的租賃則除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等租賃有關的未資本化租賃付款於租期內系統化確認為開支。

如租賃資本化，租賃負債初始按租期內應付租賃付款的現值確認，並使用租賃內含利率（或如該利率無法即時釐定，則按有關增量借款利率）折現。於初始確認後，租賃負債以攤銷成本計量，利息開支則使用實際利率法計算。不取決於指數或利率的可變租賃付款並不計入租賃負債的計量，故於其產生之會計期間自損益扣除。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Leased assets (Continued)

##### (i) As a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 3(c) and 3(g)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property in accordance with note 3(d); and
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at cost in accordance with note 3(c).

### 3. 重大會計政策概要 (續)

#### (h) 租賃資產 (續)

##### (i) 作為承租人 (續)

租賃資本化時確認的使用權資產初始按成本計量，包括租賃負債初始金額加開始日期當日或之前作出的任何租賃付款，以及所引致的任何初始直接成本。如適用，使用權資產成本亦包括在相關資產所在地拆除相關資產或恢復相關資產的估計成本，折現至其現值，減任何已收租賃獎勵。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註3(c)及3(g)），惟以下類型的使用權資產除外：

- 符合投資物業定義之使用權資產根據附註3(d)按公平值入賬；及
- 與租賃土地及樓宇有關的使用權資產（本集團為租賃權益的註冊擁有人）根據附註3(c)按成本列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Leased assets (Continued)

##### (i) As a lessee (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the consolidated statement of financial position.

### 3. 重大會計政策概要 (續)

#### (h) 租賃資產 (續)

##### (i) 作為承租人 (續)

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據剩餘價值擔保估計估計應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

當租賃範疇發生變化或租賃合同原先並無規定的租賃代價發生變化（「租賃修改」），且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在該等情況，租賃負債根據經修訂的租賃付款和租賃期限，使用經修訂的貼現率在修改生效日重新計量。

於綜合財務狀況表內，長期租賃負債的即期部分釐定為應於報告期結束後十二月內結算的合同付款的現值。

本集團將不符合投資物業定義的使用權資產與租賃負債分別呈列於綜合財務狀況表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Leased assets (Continued)

##### (ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 3(l).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption, then the Group classifies the sub-lease as an operating lease.

##### (i) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (note 3(f)).

### 3. 重大會計政策概要 (續)

#### (h) 租賃資產 (續)

##### (ii) 作為出租人

倘本集團作為出租人，其於租賃開始時釐定各租賃為融資租賃或經營租賃。倘租賃轉移相關資產所有權附帶之絕大部分風險及回報至承租人，則租賃分類為融資租賃。否則，租賃分類為經營租賃。

倘合約包含租賃及非租賃部分，本集團按相關單獨售價基準將合約代價分配至各部分。經營租賃所得租金收入根據附註3(l)確認。

倘本集團為中介出租人，分租賃乃參考主租賃產生的使用權資產，分類為融資租賃或經營租賃。倘主租賃乃短期租賃而本集團應用豁免，則本集團將分租賃分類為經營租賃。

##### (i) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時確認。倘代價到期前僅需待時間推移，則收取代價之權利為無條件。倘收益在本集團有無條件權利收取代價前經確認，則金額呈列為合約資產。

應收款項以實際利率法按攤銷成本減信貸虧損撥備列賬 (附註3(f))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (j) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 3(f), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 3(f).

#### (l) Revenue

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

### 3. 重大會計政策概要 (續)

#### (j) 貿易及其他應付款項

貿易及其他應付款項初始按公平值確認。除根據附註3(f)計算的金融擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，於此情況下，則按成本入賬。

#### (k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構的活期存款以及購入後於三個月內到期可隨時轉換為已知金額現金的短期高流通性並且價值改變風險不大的投資。在編製綜合現金流量表時，現金及現金等價物亦包括須按要求償還及構成本集團現金管理一部分的銀行透支。現金及現金等價物根據附註3(f)所載政策評估預期信貸虧損。

#### (l) 收入

本集團於(或由於)達成履約責任時(即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時)確認收入。

履約責任指一項明確貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下條件之一，控制權按時間轉移，而收入經參考完全達成相關履約責任的進度按時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Revenue (Continued)

- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

#### Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

### 3. 重大會計政策概要 (續)

#### (I) 收入 (續)

- 本集團的履約創造及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，於客戶獲得明確貨品或服務控制權時確認收入。

#### 委託人相對代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約義務（即本集團為委託人）或安排由另一方提供該等商品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

倘本集團的履行義務為安排另一方提供指定的商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的指定商品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定商品或勞務預期有權取得的任何收費或佣金的金額確認收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

#### (m) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

#### (n) Employee benefits

##### (i) Short-term employee benefits

Wages, salaries, bonuses and non-monetary benefits are recognised as expense in the period in which the associated services are rendered by employees of the Group. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### (ii) Retirement benefits costs

Contributions to defined contribution retirement plans are recognised as an expense when employees have rendered services entitling them to the contributions. The Group has no further payment obligations once these contributions have been paid.

### 3. 重大會計政策概要 (續)

#### (m) 政府補助

倘可合理確定能夠收取政府補助，而本集團將符合政府補助所附帶的條件，則政府補助在財務狀況表中初始確認。補償本集團所產生開支的補助於產生開支的同一期間有系統地於損益中確認為收入。

#### (n) 僱員福利

##### (i) 短期僱員福利

工資、薪金、花紅及非金錢利益於本集團僱員提供相關服務的期間確認為開支。短期非累積有薪休假（如病假）於休假時確認。

##### (ii) 退休福利成本

向界定供款退休計劃作出的供款於僱員提供服務致使彼等合資格享有供款時確認為開支。本集團一經繳付該等供款後再無進一步付款責任。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

#### (o) Foreign currency

##### (i) Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

##### (ii) Translation reserve

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Ringgit Malaysia using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

### 3. 重大會計政策概要 (續)

#### (o) 外幣

##### (i) 交易及結餘

本年度的外幣交易乃按於交易日期適用的外幣匯率換算。以外幣計值的貨幣資產及負債乃按報告期末適用的外幣匯率換算。匯兌收益及虧損於損益確認。

根據歷史成本計量並以外幣為單位之非貨幣資產及負債，乃採用於交易日期之適用匯率換算。交易日為本公司初始確認有關非貨幣資產或負債的日期。按公允值列賬並以外幣列值之非貨幣資產及負債，乃採用於釐定公平值當日適用之匯率換算。

##### (ii) 匯兌儲備

就呈列綜合財務報表而言，本集團海外業務的資產及負債乃採用報告期末現行匯率以令吉列賬。收入及開支項目乃按年內平均匯率兌換，除非該年內匯率大幅波動，在此情況下採用交易日期的匯率計算。所產生匯兌差額（如有）乃於其他全面收益確認並於匯兌儲備項下權益累計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 重大會計政策概要 (續)

#### (p) 稅項

所得稅開支是指即期應付稅項與遞延稅項的總和。

#### 即期稅項

即期應付稅項乃根據年內的應課稅溢利計量。應課稅溢利與綜合損益及其他全面收益表中呈報的除稅前虧損不同，原因在於其他年度的應課稅收入或可扣稅開支項目，及從未課稅或不可扣稅的項目。本集團的即期稅項以各報告期末已頒佈或實質已頒佈的稅率計算。

#### 遞延稅項

遞延稅項按綜合財務報表中資產及負債賬面值與其用於計算應課稅溢利的相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額予以確認。遞延稅項資產一般於有可能有應課稅溢利可動用以抵銷可扣減暫時差額的情況下，就所有可扣減暫時差額確認。倘暫時差額來自不影響應課稅溢利或會計溢利的交易的資產及負債的初步確認（惟業務合併除外），則不會確認有關遞延稅項資產及負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Taxation (Continued)

##### Deferred tax (Continued)

The carrying amount of deferred tax assets, if any, is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 3. 重大會計政策概要 (續)

#### (p) 稅項 (續)

##### 遞延稅項 (續)

遞延稅項資產賬面值(如有)於各報告期末審閱,並在不再可能有足夠應課稅溢利以供收回全部或部分資產的情況下調減。

遞延稅項負債及資產根據各報告期末已頒佈或實際頒佈的稅率(及稅法),按預期償付負債或變現資產期內適用的稅率計算。

遞延稅項負債及資產的計量反映按照本集團於各報告期末收回或清償其資產及負債賬面值所預期方式的稅務後果。

即期及遞延稅項於損益內確認,惟倘其涉及於其他全面收益或直接於權益內確認的項目,則即期及遞延稅項亦分別於其他全面收益或直接於權益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (Continued)

##### (p) Taxation (Continued)

###### Deferred tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

### 3. 重大會計政策概要 (續)

##### (p) 稅項 (續)

###### 遞延稅項 (續)

即期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予抵銷。倘本公司或本集團擁有以即期稅項資產抵銷即期稅項負債之法律強制執行權，以及符合以下之額外條件時，即期稅項資產才會與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就即期稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或
- 就遞延稅項資產及負債而言，如該資產及負債涉及之所得稅乃由同一個稅務機關向以下各方徵收：
  - 同一個應課稅實體；或
  - 不同應課稅實體，但於每一段未來期間，預期將償還或收回龐大之遞延稅項負債或資產，計劃以淨額方式變現即期稅項資產及償還即期稅項負債或同時變現資產及償還負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (Continued)

##### (q) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### (r) Provision, contingent liabilities and onerous contracts

###### (i) Provision and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that the Group will be required to settle the obligation, and a reliable estimate of the amount can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

### 3. 重大會計政策概要 (續)

##### (q) 借貸成本

所有借貸成本於其產期間於損益內確認。

##### (r) 撥備，或然負債及虧損性合約

###### (i) 撥備及或然負債

當本集團須就過往事件承擔現時責任(法定或推定)，而本集團很可能須履行該責任，並可就責任金額作出可靠之估計，便會確認撥備。

確認為撥備之金額為於報告期末履行現時責任所需代價之最佳估計，當中計及與責任有關之風險及不確定性。當撥備使用履行現時責任所需估計現金流量計量，其賬面值為該等現金流量之現值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

#### (r) Provision, contingent liabilities and onerous contracts *(Continued)*

##### (i) Provision and contingent liabilities *(Continued)*

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of uncertain future events not only wholly within the control of the Group.

##### (ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

#### (s) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

### 3. 重大會計政策概要 (續)

#### (r) 撥備，或然負債及虧損性合約 (續)

##### (i) 撥備及或然負債 (續)

或然負債或資產是因過往事件而可能引起的責任或可能產生的資產，此等責任或資產的存在僅視乎本集團並不能完全控制的不確定未來事件的發生或不發生而確定。

##### (ii) 虧損合約

當本集團簽訂合約時，履行合約義務的不可避免的成本超過預期從合約中得到的經濟利益，則為虧損合約。有關虧損合約的撥備乃按終止合約的預期成本與繼續履行合約的淨成本兩者之間較低者的現值計量。

#### (s) 關聯方

(a) 倘屬以下人士，則該人士或人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司主要管理層成員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (Continued)

##### (s) Related parties (Continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

### 3. 重大會計政策概要 (續)

##### (s) 關聯方 (續)

(b) 符合任何以下條件的實體會被視為與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一家實體為另一實體的聯營公司或合營企業(或另一實體所屬集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩實體皆為同一第三方的合營企業。
- (iv) 一實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立之離職後福利計劃。
- (vi) 該實體受(a)識別之人士的控制或共同控制。
- (vii) 在(a)(i)內所確定的人士對該實體有重大影響力或該人士為該實體(或該實體的母公司)的主要管理層成員之一。
- (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

#### (t) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to Mr. Loh Swee Keong, the director of the Group (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 3. 重大會計政策概要 (續)

#### (s) 關聯方 (續)

近親是指有關人士在與實體交易時，預期可影響或受該人士影響的親屬成員。

#### (t) 分部報告

經營分部及於財務報表內呈報的各分部項目金額自定期提供予本集團董事Loh Swee Keong先生（主要經營決策者）就資源分配及評估本集團的各項業務及地理位置的表現的財務資料中識別出來。

個別而言屬於重大的經營分部不會在財務報告中予以總計，除非這些分部擁有相若的經濟特性，而且其產品和服務性質、生產流程性質、客戶的類型或類別、用以分銷產品或提供服務的方法以及監管環境的性質均相若。如果個別而言並非屬於重大的經營分部擁有以上大部分特徵可能匯總成一分部列示。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months.

#### Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually.

The Group uses simplified approach in calculating allowance of ECL for trade receivables by applying an ECL rate. The ECL rate is determined based on the management's assessment on the individual customer's credit risk grading dependent on the customer's financial performance, adjusted for factors that are specific to the debtors, general economic conditions at the reporting date and forward-looking information that is reasonable and supportable without undue cost or effort, including time value of money where appropriate. At each reporting date, the ECL rate is remeasured. The provision for ECL is sensitive to changes in estimates. Due to the greater financial uncertainty triggered by the Covid-19 pandemic, the Group has increased the expected loss rates in the current year as there is higher risk that a prolonged pandemic could led to increased credit default rates.

### 4. 估計不確定因素的主要來源

於應用本集團會計政策（於附註3載述）時，本公司董事須就並非顯然從其他來源得到的資產及負債賬面值作出判斷、估計及假設。估計及相關假設按照過往經驗及其他視為相關的因素作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。如修訂僅影響該期間，則會計估計修訂會於估計作出修訂的期間確認，或倘修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

以下為有關未來的主要假設，及於各報告期末的估計不確定因素其他主要來源，其重大風險為會對未來12個月內的資產及負債賬面值構成重大調整。

#### 貿易應收款項的預期信貸虧損撥備

會對出現重大結餘及信貸減值的貿易應收款項單獨評估預期信貸虧損。

本集團通過應用一個預期信貸虧損比率，使用簡化方法計算貿易應收款項的預期信貸虧損撥備。該預期信貸虧損比率乃根據管理層對個別客戶信貸風險等級的評估而釐定，其取決於客戶的財務表現、就債務人特定的因素進行調整、於報告日期的整體經濟狀況及毋須花費不必要成本或努力即可獲得合理且有依據的前瞻性資料作出調整，包括金錢的時間價值（如合適）。於各報告日期，預期信貸虧損比例重新計量。預期信貸虧損撥備對估計變動較為敏感。由於Covid-19疫情引致更大的財務不確定性，本集團已調高本年度的預期虧損率，原因為疫情持續不退很可能導致信貸違約率上升。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4. KEY SOURCES OF ESTIMATION

#### UNCERTAINTY (Continued)

#### Estimated impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts. Furthermore, the cash flows projections, growth rate and discount rate are subject to greater uncertainties in the current year due to uncertainty on how the Covid-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions in the Group's operations.

The information about the ECL and the carrying amounts of receivables at the reporting date are disclosed in note 27(b) and 18.

### 4. 估計不確定因素的主要來源 (續)

#### 物業、廠房及設備及使用權資產的估計減值

物業、廠房及設備及使用權資產以按成本減累計折舊及減值(如有)列示。於釐定資產是否減值時,本集團須作出判斷及估計,尤其評估(1)是否有事件已發生或有任何指標可能影響資產價值;(2)資產賬面值是否能夠以可收回金額(如為使用價值)支持,即按照持續使用資產估計的未來現金流量的淨現值;及(3)將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。倘無法估計個別資產的可收回金額(包括使用權資產),本集團會估計該資產所屬現金產生單位的可收回金額,包括在能夠確定合理及一致的分配基準的情況下的公司資產分配,否則,可收回金額按已分配相關公司資產的現金產生單位的最小組別釐定。更改有關假設及估計(包括現金流預測中的貼現率或增長率),可對可收回金額產生重大影響。此外,由於Covid-19疫情可能如何發展和演變以及金融市場動蕩(包括本集團營運的潛在中斷)的不確定性,現金流量預測、增長率及貼現率在本年度面臨更大不確定性。

有關預期信貸虧損及應收款項於報告日期的賬面值資料於附註27(b)及18披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

#### (a) Disaggregation of revenue from contracts with customers under IFRS 15:

### 5. 收入及分部資料

#### (a) 國際財務報告準則第15號項下客戶合約收入之分類：

		Year ended 31 May 2021 截至2021年 5月31日 止年度 Total 總計 RM'000 千令吉	Year ended 31 May 2020 截至2020年 5月31日 止年度 Total 總計 RM'000 千令吉
Manufacturing and trading:	製造及貿易：		
Sales of manufactured goods	製成品銷售	16,595	16,123
Other building materials and services:	其他建築材料及服務：		
Sales of building materials	建築材料銷售	4,416	3,201
Rental of crane services	起重機租賃服務	21	3
Japanese catering services	日本餐廳	1,548	3,608
Sourcing services	採購服務	41	77
<b>Total</b>	<b>總計</b>	<b>22,621</b>	<b>23,012</b>
Geographical market:	地區市場：		
Malaysia	馬來西亞	21,032	19,327
China – Hong Kong	中國 – 香港	1,589	3,685
<b>Total</b>	<b>總計</b>	<b>22,621</b>	<b>23,012</b>
Timing of revenue recognition	收入確認時間		
At point in time	按時間點	22,600	23,009
Over time	隨時間	21	3
<b>Total</b>	<b>總計</b>	<b>22,621</b>	<b>23,012</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (a) Disaggregation of revenue from contracts with customers under IFRS

15: (Continued)

##### Sales of manufactured goods and building materials

Revenue from sales of manufactured goods and building materials is recognised at a point in time when the manufactured goods and building materials are transferred to customers, being at the point that the customer obtains the control of the manufactured goods and building materials; and the Group has present right to payment and collection of the consideration is probable.

##### Rental of crane services

Revenue from rental of crane services is recognised over time, and the progress measured using the output method based on the amount the Group has right to invoice with application of practical expedient in IFRS 15: paragraph B16 as the Group has right to consideration from a customer in an amount corresponds directly with the value to the customer of the Group's performance completed to date. The rental of crane services are billed to client on daily basis.

##### Japanese catering services

The Group provides Japanese food on catering basis to customer. Revenue is recognised at point in time when the customer obtains the control of the food and catering services and the Group has present right to payment and collection of the consideration is probable.

##### Sourcing services

The Group acts as an agent when its performance obligation is to arrange for provision of specified materials by another party to customer. The Group does not control the specified materials. Therefore, the Group recognises revenue in the amount of commission to which it expects to be entitled in exchange for arranging for the specified materials to be provided by the other party.

### 5. 收入及分部資料 (續)

#### (a) 國際財務報告準則第15號項下客戶合約收入之分類：

(續)

##### 製成品及建築材料銷售

製成品及建築材料的銷售收入於製成品及建築材料轉交予客戶的時間點確認，即客戶獲得製成品及建築材料的控制權；及本集團現時有權支付代價，且代價可收回。

##### 起重機租賃服務

於應用國際財務報告準則第15號：第B16段後，起重機租賃服務收入隨時間確認，並使用輸出法根據本集團有權出具發票之金額計量進度，原因為本集團有權自客戶收取金額直接相當於本集團客戶至今完成之履約價值之代價。起重機租賃服務按天向客戶收取費用。

##### 日本餐廳

本集團以餐飲為基礎向客戶提供日本食品。於客戶取得對食品及餐飲服務的控制權且本集團現時有權支付代價及代價可收回時，確認收入。

##### 採購服務

當履約義務為安排另一方向客戶提供指定材料時，本集團作為代理人。本集團並無控制指定物料。因此，本集團確認收入為其預期有權獲得的佣金，以換取安排另一方提供的指定材料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (b) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group has applied practical expedient in IFRS 15: paragraph 121 (a) and (b) to not disclose the transaction price allocated to the remaining performance obligations which are part of contracts that have original expected duration of one year or less.

#### (c) Operating Segment

Information reported to Mr. Loh Swee Keong, the director of the Group, being the chief operating decision maker (“**CODM**”), for the purposes of resource allocation and assessment of segment performance is based on the following reportable and operating segments identified under IFRS 8 Operating Segments:

- (a) Manufacturing and trading – manufacturing and trading of precast concrete junction boxes;
- (b) Other building materials and services – trading of accessories and pipes and provision of mobile crane rental and ancillary services; and
- (c) Japanese catering services – provision of Japanese catering services.
- (d) Sourcing services – provision of sourcing services.

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

### 5. 收入及分部資料 (續)

#### (b) 分配至與客戶合約的剩餘履約義務之交易價格

本集團已採用國際財務報告準則第15號實際權宜之計：第121(a)及(b)段以不披露分配至剩餘履約義務的交易價格，而該等履約義務屬於原始預期期限為一年或以下的合約的一部分。

#### (c) 經營分部

就資源分配及分部表現評估目的而向本集團董事Loh Swee Keong先生（即首席經營決策人（「首席經營決策人」））匯報的資料，乃按下列根據國際財務報告準則第8號經營分部識別的可報告及經營分部作出：

- (a) 製造及貿易－預製混凝土接線盒的製造及貿易；
- (b) 其他建築材料及服務－配件及管道貿易以及提供移動式起重機租賃及配套服務；及
- (c) 日本餐廳－提供日料服務。
- (d) 採購服務－提供採購服務。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued) Segment revenues and results For the year ended 31 May 2021

### 5. 收入及分部資料 (續)

#### (c) 經營分部 (續) 分部收入及業績 截至2021年5月31日止年度

		Manufacturing and trading	Other building materials and services	Japanese catering services	Sourcing services	Total
		製造及貿易	其他建築 材料及服務	日本餐廳	採購服務	總計
		RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉
Revenue	收入					
External sales	外部銷售	16,595	4,437	1,548	41	22,621
Inter-segment sales	分部間銷售	5,964	591	-	-	6,555
Segment revenue	分部收入	22,559	5,028	1,548	41	29,176
Elimination	抵銷					(6,555)
Group revenue	集團收入					22,621
Segment result	分部業績	4,169	482	861	20	5,532
Administrative expenses	行政開支					(9,032)
Selling and distribution expenses	銷售及分銷開支					(1,206)
Finance costs	融資成本					(99)
Other income	其他收入					628
Loss before taxation	除稅前虧損					(4,177)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued)

#### Segment revenues and results (Continued)

For the year ended 31 May 2020

### 5. 收入及分部資料 (續)

#### (c) 經營分部 (續)

#### 分部收入及業績 (續)

截至2020年5月31日止年度

		Manufacturing and trading 製造及貿易 RM'000 千令吉	Other building materials and services 其他建築 材料及服務 RM'000 千令吉	Japanese catering services 日本餐廳 RM'000 千令吉	Sourcing services 採購服務 RM'000 千令吉	Total 總計 RM'000 千令吉
Revenue	收入					
External sales	外部銷售	16,123	3,204	3,608	77	23,012
Inter-segment sales	分部間銷售	5,272	564	-	-	5,836
Segment revenue	分部收入	21,395	3,768	3,608	77	28,848
Elimination	抵銷					(5,836)
Group revenue	集團收入					23,012
Segment result	分部業績	4,510	357	1,776	39	6,682
Administrative expenses	行政開支					(10,361)
Selling and distribution expenses	銷售及分銷開支					(1,007)
Finance costs	融資成本					(225)
Other income	其他收入					945
Loss before taxation	除稅前虧損					(3,966)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued)

##### Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies as described in note 3. Segment results represents the profit from each segment without allocation of administrative expenses, selling and distribution expenses, finance costs, other income and taxation. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates with discount given for certain bulk purchase.

##### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

As at 31 May 2021

### 5. 收入及分部資料 (續)

#### (c) 經營分部 (續)

##### 分部收入及業績 (續)

經營分部的會計政策與附註3所述的本集團會計政策相同。分部業績乃指未分配行政開支、銷售及分銷開支、融資成本、其他收入及稅項前各分部的溢利。此為就資源分配及表現評估目的而報告予首席經營決策人的計量方法。

分部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。

##### 分部資產及負債

下文為按可報告及經營分部劃分的本集團資產及負債分析：

於2021年5月31日

	Manufacturing and trading	Other building materials and services 其他建築材料 及服務	Japanese Catering Services 日本餐廳	Sourcing services 採購服務	Segment assets (liabilities) 分部資產 (負債)	Unallocated 未分配	Consolidated assets (liabilities) 綜合資產 (負債)
	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Non-current assets 非流動資產	6,435	431	-	179	7,045	22	7,067
Current assets 流動資產	22,024	8,420	619	2,861	33,924	1,419	35,343
Non-current liabilities 非流動負債	(1,245)	-	-	-	(1,245)	-	(1,245)
Current liabilities 流動負債	(6,055)	(745)	(219)	(80)	(7,099)	(478)	(7,577)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued)

#### Segment assets and liabilities (Continued)

As at 31 May 2020

### 5. 收入及分部資料 (續)

#### (c) 經營分部 (續)

#### 分部資產及負債

於2020年5月31日

		Other building materials and services 其他建築材料 及服務	Japanese Catering Services 日本餐廳	Sourcing services 採購服務	Segment assets (liabilities) 分部資產 (負債)	Unallocated 未分配	Consolidated assets (liabilities) 綜合資產 (負債)
	Manufacturing and trading 製造及貿易	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Non-current assets 非流動資產	5,374	615	-	2,197	8,186	560	8,746
Current assets 流動資產	21,619	6,763	1,881	5,384	35,647	1,794	37,441
Non-current liabilities 非流動負債	(869)	(159)	-	(159)	(1,187)	-	(1,187)
Current liabilities 流動負債	(5,028)	(345)	(474)	(2,253)	(8,100)	(792)	(8,892)

All assets and liabilities are allocated to operating segments other than certain cash on hand and at bank, other payables, current and deferred tax assets and liabilities.

除若干手頭及銀行現金、其他應付款項、流動及遞延稅項資產及負債外，所有資產及負債分配至經營分部。

#### Other segment information

For the year ended 31 May 2021

#### 其他分部資料

截至2021年5月31日止年度

	Manufacturing and trading 製造及貿易	Other building materials and services 其他建築材料 及服務	Japanese catering services 日本餐廳	Sourcing services 採購服務	Unallocated 未分配	Total 總計
	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Amounts included in the measure of segment profit or loss or segment assets: 包括在計算分部溢利或虧損或分部資產的金額：						
Additions to non-current assets 添置非流動資產	1,731	15	-	-	-	1,746

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued)

#### Other segment information (Continued)

For the year ended 31 May 2020

### 5. 收入及分部資料 (續)

#### (c) 經營分部 (續)

#### 其他分部資料 (續)

截至2020年5月31日止年度

	Manufacturing and trading	Other building materials and services	Japanese catering services	Sourcing services	Unallocated	Total
	製造及貿易	其他建築材料及服務	日本餐廳	採購服務	未分配	總計
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	千令吉	千令吉	千令吉	千令吉	千令吉	千令吉
Additions to non-current assets	317	14	-	-	-	331
Shop rental	-	-	495	-	-	495

Amounts included in the measure of segment profit or loss or segment assets:

包括在計算分部溢利或虧損或分部資產的金額：

Additions to non-current assets

添置非流動資產

Shop rental

店鋪租賃

#### Geographical information

The Group earns revenue from external customers in two main geographical areas:

- (i) Malaysia – manufacturing and trading; and other building material and services
- (ii) China – Hong Kong – Japanese catering services; and sourcing services

#### 地區資料

本集團自兩個主要地區外部客戶賺取收入：

- (i) 馬來西亞 – 製造及貿易；及其他建築材料及服務
- (ii) 中國 – 香港 – 日本餐廳；及採購服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5. REVENUE AND SEGMENTAL INFORMATION

(Continued)

#### (c) Operating Segment (Continued)

##### Other segment information (Continued)

##### Geographical information (Continued)

Information about the Group's revenue from external customers is presented based on the location of the operations, as follows:

		2021	2020
		2021年	2020年
		RM'000	RM'000
		千令吉	千令吉
Malaysia	馬來西亞	21,032	19,327
China – Hong Kong	中國 — 香港	1,589	3,685
		22,621	23,012

The following is an analysis of the carrying amount of segment assets, capital addition in respect of property, plant and equipment by the geographical areas in which the assets are located:

以下為按資產所在地區劃分的分部資產、就物業、廠房及設備增資的賬面值分析：

		Total assets		Capital addition property, plant and equipment	
		資產總值		物業、廠房及設備增資	
		2021	2020	2021	2020
		2021年	2020年	2021年	2020年
		RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉
Malaysia	馬來西亞	37,310	34,371	1,746	331
China – Hong Kong	中國 — 香港	3,659	9,462	–	–
Unallocated	未分配	1,441	2,354	–	–
		42,410	46,187	1,746	331

#### Information about major customers

No customer contributes over 10% of total revenue of the Group for the year ended 31 May 2021 and 31 May 2020.

#### 主要客戶資料

概無客戶為本集團截至2021年5月31日及2020年5月31日止年度的總銷售額貢獻逾10%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6. DIRECTORS' EMOLUMENTS

Details of the emoluments paid or payable to the Directors of the Company disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 May 2021

### 6. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部所披露的已付或應付本公司董事的酬金詳情如下：

截至2021年5月31日止年度

		Executive Directors 執行董事		Independent Non-executive Directors 獨立非執行董事		
		Mr. Loh Swee Keong Loh Swee Keong先生	Mr. Chu Kin Ming 朱健明先生	Mr. Yau Ka Hei 邱家禧先生	Mr. She Shing Albert Ma 馬希聖先生	Total 總計
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Directors:	董事：					
Fees	袍金	279	64	64	64	471
Other emoluments:	其他薪酬：					
Salaries	薪資	-	-	-	-	-
Contributions to Employees Provident Fund ("EPF") (Note)	僱員公積金 (「僱員公積金」) 供款 (附註)	60	-	-	-	60
Total	總計	339	64	64	64	531

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6. DIRECTORS' EMOLUMENTS (Continued) For the year ended 31 May 2020

### 6. 董事酬金 (續) 截至2020年5月31日止年度

		Executive Directors 執行董事		Independent Non-executive Directors 獨立非執行董事		
		Mr. Loh Swee Keong Loh Swee Keong先生	Mr. Chu Kin Ming 朱健明先生	Mr. Yau Ka Hei 邱家禧先生	Mr. She Shing Albert Ma 馬希聖先生	Total 總計
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
Directors:	董事:					
Fees	袍金	102	81	81	81	345
Other emoluments:	其他薪酬:					
Salaries	薪資	188	-	-	-	188
Contributions to Employees Provident Fund ("EPF") (Note)	僱員公積金 (「僱員公積金」) 供款 (附註)	42	-	-	-	42
Total	總計	332	81	81	81	575

**Note:**

The Group is required by Malaysian law to make monthly contributions to the EPF, a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' applicable remuneration. Contributions are charged to profit or loss in the period in which they relate. The contributions to EPF are disclosed separately and the contributions to EPF are included in salaries, bonuses, allowances and other staff benefits. Once the contributions have been paid, the Group has no further payment obligations. No forfeited contribution is available to reduce the contribution payable in future year.

**附註:**

馬來西亞法例要求本集團按月向僱員公積金供款，其為根據僱員適用薪酬的若干訂明比率，為所有符合資格僱員提供法定界定供款的計劃。供款於相關期內的損益扣除。僱員公積金的供款為各別披露，而向僱員公積金作出的供款計入薪金、花紅、津貼及其他僱員福利。一旦作出供款，本集團概無進一步供款責任。概無可供扣減應付供款的已沒收供款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6. DIRECTORS' EMOLUMENTS (Continued)

During the years ended 31 May 2020 and 2021, no emoluments were paid by the Group to the Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

No Directors' emoluments were waived during the years ended 31 May 2020 and 2021.

The Executive Directors' emoluments shown were mainly for their services in connection with the management of the affairs of the Group and of the Company. The Independent Non-executive Directors' emoluments were for their services as Directors of the Company.

### 7. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group included 1 and 1 Director for the year ended 31 May 2020 and 31 May 2021 respectively, details of whose remuneration are set out in Note 6. Details of the remuneration for the remaining 4 and 4 highest paid employees who are neither a Director nor chief executive of the Company are as follows:

### 6. 董事酬金 (續)

截至2020年5月31日及2021年5月31日止年度，本集團並無向本公司董事支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

截至2020年5月31日及2021年5月31日止年度，概無董事放棄酬金。

所列示的執行董事酬金乃主要為彼等就提供有關管理本集團及本公司事務的服務所得酬金。獨立非執行董事之酬金乃為彼等作為本公司董事所提供服務之所得酬金。

### 7. 五名最高薪酬個人

本集團五名最高薪酬個人分別包括截至2020年5月31日及2021年5月31日止年度的1名及1名董事，有關薪酬詳情載於附註6。餘下4名及4名最高薪酬僱員（非本公司董事或主要行政人員）的薪酬詳情載列如下：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Salaries and allowances	薪金及津貼	673	1,630
Bonuses	花紅	337	-
Contributions to EPF	僱員公積金供款	74	74
		<b>1,084</b>	<b>1,704</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7. FIVE HIGHEST PAID INDIVIDUALS (Continued)

The number of the highest paid individuals (other than the directors) whose remuneration fell within the following bands is as follows:

		2021 2021年	2020 2020年
Nil to HKD1,000,000	零港元至1,000,000港元	4	4

During the years ended 31 May 2020 and 2021, no emoluments were paid by the Group to the five highest paid employees of the Company as an inducement to join or upon joining the Group or as compensation for loss of the office.

### 7. 五名最高薪酬個人 (續)

以下載列最高薪酬個人(董事除外)(薪酬介乎以下範圍)的人數：

截至2020年5月31日及2021年5月31日止年度，本集團並無向本公司五名最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時的獎勵或作為離職補償。

### 8. FINANCE COSTS

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Interest expense on:	下列各項的利息開支：		
Leases liabilities	租賃負債	89	186
Other facilities	其他融資	—	1
Commitment fees	承諾費	10	38
		99	225

### 8. 融資成本

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging/  
(crediting):

### 9. 除稅前虧損

除稅前虧損扣除／(計入)以下各項後達  
致：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Auditors' remuneration	核數師薪酬	479	436
Cost of inventories recognised as an expense	確認為開支的存貨成本	16,101	12,219
Staff costs, excluding directors' remuneration:	員工成本，不包括董事薪酬：		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	3,649	4,925
— Contributions to EPF	— 僱員公積金供款	249	333
		3,898	5,258
Lease payments not included in the measurement of lease liabilities	未計入計量租賃負債的租賃付款		
Crane	起重機	16	53
Shop	店鋪	550	495
Office equipment	辦公設備	10	9
Office	辦公室	—	264
Depreciation of:	以下各項折舊：		
Property, plant and equipment	物業、廠房及設備	730	982
Investment property	投資物業	10	10
Right-of-use assets	使用權資產	1,113	2,326
Allowance for credit losses:	信貸虧損撥備：		
Trade receivables	貿易應收款項	2,229	764
Deposits paid	已付按金	316	369
Allowance for credit losses no longer required	毋須再作信貸虧損撥備	(83)	—
Rental income from investment property	投資物業的租金收入	—	(12)
Inventory written off	存貨撇銷	213	—
Bad debts written off	壞賬撇銷	408	142
Unrealised (gain)/loss on foreign exchange	未變現匯兌(收益)／虧損	(277)	826
Government subsidies (Note)	政府補貼(附註)	(489)	—
Interest income on:	以下各項之利息收入：		
Deposits at bank	銀行存款	(252)	(419)
Late payment from receivables	延遲支付應收款項	(1)	(246)

Note:

During the year, the Group successfully applied for funding support from The Government of the HKSAR under Anti-Epidemic Fund for the purpose of relieving financial burden of the businesses operating in Hong Kong.

附註：

於年內，本集團成功向香港特區政府申請防疫資金的資助，以減輕於香港經營業務的財務負擔。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 10. TAXATION

### 10. 稅項

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Malaysia corporate income tax:	馬來西亞企業所得稅：		
Current year	本年度	608	524
Underprovision in prior years	過往年度撥備不足	92	10
Deferred tax (Note 23):	遞延稅項 (附註23)：		
Current year	本年度	(24)	(114)
Under provision in prior years	過往年度撥備不足	-	42
		(24)	(72)
		<b>676</b>	<b>462</b>

Malaysia corporate income tax is calculated at the statutory tax rate of 24% (2020: 24%) on the estimated assessable profits for each of the assessable year.

Hong Kong Profits Tax is calculated at a rate of 16.5% (2020:16.5%) of the estimated assessable profits for the year. Hong Kong Profits Tax has not been provided for the years ended 31 May 2021 and 2020 as there is no assessable profits for both years.

馬來西亞企業所得稅就各應課稅年度的估計應課稅溢利按法定稅率24% (2020年：24%) 計算。

香港利得稅乃根據年內之估計應課稅溢利按16.5% (2020年：16.5%) 之稅率計算。截至2021年及2020年5月31日止年度，由於均未產生應課稅利益，故並無就香港利得稅計提撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 10. TAXATION (Continued)

The taxation for the year can be reconciled to the loss before taxation as follows:

### 10. 稅項 (續)

年度稅項與除稅前虧損的對賬如下：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Loss before taxation	除稅前虧損	(4,177)	(3,966)
Statutory tax rate	法定稅率	24%	24%
Taxation at applicable statutory tax rate	按適用法定稅率計算的稅項	(1,003)	(951)
Tax saving of 7% (2020: 7%) (Note)	省稅7% (2020年：7%) (附註)	(28)	(84)
Tax effects of:	以下各項的稅務影響：		
Expenses not deductible for tax purpose	不可扣稅開支	1,238	956
Income not taxable for tax purpose	毋須課稅收入	(89)	-
Effect of different tax rate of entities operating in other jurisdictions	於其他司法權區經營的實體的不同稅率影響	465	489
Deferred tax asset not recognised	未確認遞延稅項資產	1	-
Underprovision of income tax payable in prior years	過往年度應付所得稅的撥備不足	92	10
Under provision of deferred tax in prior years	過往年度遞延稅項的撥備不足	-	42
Taxation for the year	年度稅項	676	462

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 17% for the year ended 31 May 2021, on chargeable income amounting to RM600,000 or less (2020: RM500,000). For chargeable income in excess of RM600,000, the corporate income tax rate is 24% for the year ended 31 May 2020 and 31 May 2021 respectively.

附註：根據馬來西亞1967年所得稅法，截至2021年5月31日止年度，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17%就最高為600,000令吉（2020年：500,000令吉）的應課稅收入繳納所得稅。至於超過600,000令吉的應課稅收入，截至2020年5月31日及2021年5月31日止年度，企業所得稅稅率分別為24%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 11. LOSS PER SHARE

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

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Loss for the purpose of basic loss per share:	就每股基本虧損而言的虧損:		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年度虧損	(4,853)	(4,428)

		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 (note)	用於計算每股基本虧損的普通股加權平均數 (附註)	88,720,900	78,060,500

Note:

The Weighted average number of shares used in the calculation of basic loss per share for the years ended 31 May 2020 and 2021 has been adjusted for the effect of share consolidation which occurred subsequent to the end of the reporting period.

No diluted loss per share information has been presented for the years ended 31 May 2020 and 31 May 2021 as there were no potential ordinary shares outstanding during both years.

### 12. DIVIDENDS

The directors of the Company do not recommend the payment of dividend for the years ended 31 May 2020 and 31 May 2021.

### 11. 每股虧損

每股基本虧損乃根據下列數據計算：

附註：

計算截至2020年5月31日及2021年5月31日止年度之每股基本虧損所使用之股份加權平均數已就報告期末後產生之股份合併之影響作出調整。

由於截至2020年5月31日及2021年5月31日止年度均無流通在外潛在普通股，故並無就該兩個年度呈列每股攤薄虧損的資料。

### 12. 股息

本公司董事不建議派付截至2020年5月31日及2021年5月31日止年度的股息。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Leasehold land and building 租賃土地 及樓宇	Plant and machinery 廠房及機械	Motor vehicles 汽車	Renovation 裝修	Mould 模具	Factory 工廠	Office equipment 辦公設備	Computer software 電腦軟件	Total 總計
		RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉	RM'000 千令吉
<b>Carrying value</b>	<b>賬面值</b>									
1 June 2019	於2019年6月1日	365	3,054	2,004	570	1,593	236	773	19	8,614
Reallocate to right-of-use assets	重新分配至使用權 資產	(120)	-	-	-	-	-	-	-	(120)
Additions	添置	-	-	-	-	286	-	45	-	331
Exchange differences	匯兌差額	-	20	14	6	-	-	-	-	40
<b>At 31 May 2020</b>	<b>於2020年5月31日</b>	<b>245</b>	<b>3,074</b>	<b>2,018</b>	<b>576</b>	<b>1,879</b>	<b>236</b>	<b>818</b>	<b>19</b>	<b>8,865</b>
At 1 June 2020	於2020年6月1日	245	3,074	2,018	576	1,879	236	818	19	8,865
Additions	添置	-	415	715	33	332	-	251	-	1,746
Disposals	出售	-	-	(362)	-	-	-	-	-	(362)
Exchange differences	匯兌差額	-	-	(15)	(6)	-	-	-	-	(21)
<b>At 31 May 2021</b>	<b>於2021年5月31日</b>	<b>245</b>	<b>3,489</b>	<b>2,356</b>	<b>603</b>	<b>2,211</b>	<b>236</b>	<b>1,069</b>	<b>19</b>	<b>10,228</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>									
1 June 2019	於2019年6月1日	124	1,774	603	240	324	148	528	19	3,760
Reallocate to right-of-use assets	重新分配至使用權 資產	(37)	-	-	-	-	-	-	-	(37)
Depreciation for the year	年內折舊	5	397	194	122	178	17	69	-	982
Exchange differences	匯兌差額	-	18	4	5	-	-	-	-	27
<b>At 31 May 2020</b>	<b>於2020年5月31日</b>	<b>92</b>	<b>2,189</b>	<b>801</b>	<b>367</b>	<b>502</b>	<b>165</b>	<b>597</b>	<b>19</b>	<b>4,732</b>
At 1 June 2020	於2020年6月1日	92	2,189	801	367	502	165	597	19	4,732
Depreciation for the year	年內折舊	5	222	200	40	180	17	66	-	730
Eliminated upon disposal	透過出售抵銷	-	-	(157)	-	-	-	-	-	(157)
Exchange differences	匯兌差額	-	-	(4)	(5)	-	-	-	-	(9)
<b>At 31 May 2021</b>	<b>於2021年5月31日</b>	<b>97</b>	<b>2,411</b>	<b>840</b>	<b>402</b>	<b>682</b>	<b>182</b>	<b>663</b>	<b>19</b>	<b>5,296</b>
<b>Carrying value</b>	<b>賬面值</b>									
At 31 May 2021	於2021年5月31日	148	1,078	1,516	201	1,529	54	406	-	4,932
At 31 May 2020	於2020年5月31日	153	885	1,217	209	1,377	71	221	-	4,133

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straightline basis at the following rates per annum:

Leasehold land and building	2%
Plant and machinery	10%
Motor vehicles	10%
Renovation	Over the remaining lease term – 20%
Mould	10%
Factory	10%
Office equipment	10%
Computer software	20%

The Group has pledged leasehold land and building with a carrying value of approximately RM144,000 (2020: RM149,000) to secure general banking facilities granted to the Group as disclosed in note 29.

### 14. RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Notes 附註	2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Ownership interests in leasehold land held for own use, carried at depreciated cost	作自用的租賃土地的所有權權益，按折舊成本列賬 (i)	80	81
Plant, machinery and equipment, carried at depreciated cost	物業、廠房及設備，按折舊成本列賬 (ii)	1,640	3,568
		1,720	3,649

### 13. 物業、廠房及設備 (續)

上述物業、廠房及設備項目（在建工程除外）以直線法按以下年率折舊：

租賃土地及樓宇	2%
廠房及機械	10%
汽車	10%
裝修	按剩餘租期計算 – 20%
模具	10%
工廠	10%
辦公設備	10%
電腦軟件	20%

本集團已質押賬面值約144,000令吉（2020年：149,000令吉）的租賃土地及樓宇，作為本集團所獲授的一般銀行融資的抵押（如附註29所披露）。

### 14. 使用權資產

按相關資產類別劃分的使用權資產之賬面淨值分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14. RIGHT-OF-USE ASSETS (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

### 14. 使用權資產 (續)

有關於損益確認的租賃之開支項目分析如下：

		2021 2021年	2020 2020年 (Note) (附註)
		RM'000 千令吉	RM'000 千令吉
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產折舊開支：		
Ownership interests in leasehold land held for own use	持作自用的租賃土地的所有權權益	1	2
Plant, machinery and equipment	物業、廠房及設備	1,112	2,324
		1,113	2,326
Interest on lease liabilities (Note 8)	租賃負債利息 (附註8)	89	186
Expense relating to short-term leases and other leases	短租賃及其他租賃有關之開支	576	821

#### Notes:

During the year, additions to right-of-use assets were approximately RM1,580,000 (2020: RM3,650,000). This amount related to the capitalised lease payments payable under new tenancy agreements.

The maturity analysis of lease liabilities is set out in note 22.

#### 附註：

於年內，使用權資產添置約為1,580,000令吉 (2020年：3,650,000令吉)。該金額與新租購協議項下應付資本化租賃款項有關。

有關租賃負債的賬齡分析載於附註22。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14. RIGHT-OF-USE ASSETS (Continued)

Notes: (Continued)

- (i) Ownership interests in leasehold land held for own use

The Group holds land for its manufacturing and trading and other building materials and services business, where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

- (ii) Other leases

The Group leases production factory, machinery and office under leases expiring from 2 to 3 years. Some leases include an option to renew the lease when all terms are renegotiated. None of the leases includes variable lease payments.

### 14. 使用權資產 (續)

附註：(續)

- (i) 持作自用的租賃土地的所有權權益

本集團持有作為生產及貿易及其他建築材料及服務業務用途的土地，其製造設施主要位於該等樓宇。本集團為該等物業權益（包括相關土地的全部或部分不可分割份額）的登記擁有人。本集團已預先支付一筆過款項，以向其前登記擁有人收購該等物業權益，且除了根據相關政府機構設定應課租值的差餉外，沒有需要按照土地租賃條款下長期持續付款。該款項會跟隨當時市況進行調整，並支付給相關政府部門。

- (ii) 其他租賃

本集團按照租期介乎2至3年租賃生產廠房、機械及辦公。部分租賃包括在所有條款重新協商的情況下重續租賃的選擇權。租賃概不包括可變租賃付款。

### 15. INVESTMENT PROPERTY

### 15. 投資物業

		RM'000 千令吉
<b>Cost</b>	<b>成本</b>	
At 31 May 2020 and 31 May 2021	於2020年5月31日及2021年5月31日	450
<b>Accumulated depreciation</b>	<b>累計折舊</b>	
At 1 June 2019	於2019年6月1日	69
Charge for the year	年內扣除	10
At 31 May 2020 and 1 June 2020	於2020年5月31日及2020年6月1日	79
Charge for the year	年內扣除	10
At 31 May 2021	於2021年5月31日	89
<b>Carrying value</b>	<b>賬面值</b>	
At 31 May 2021	於2021年5月31日	361
At 31 May 2020	於2020年5月31日	371

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15. INVESTMENT PROPERTY (Continued)

The investment property, comprising of a freehold land and building in Malaysia, is depreciated on a straight-line basis over 50 years.

Rental income earned by the Group from the investment property which is leased out under operating leases, amounted to approximately nil for the year ended 31 May 2021 (2020: RM12,000). Direct operating expenses incurred in respect of the investment property amounted to RM2,549 and RM4,482 for the year ended 31 May 2020 and 31 May 2021 respectively.

The fair values of the Group's investment property were estimated by the directors at RM690,000 and RM630,000 at 31 May 2020 and 31 May 2021 respectively based on the valuation report on the investment property in prior year and updated to take into consideration certain recent transactions involving similar properties in the vicinity. The fair value is a Level 3 fair value estimation. In estimating the fair value of the property, the highest and best use of the property is its current use.

### 16. EQUITY INVESTMENT

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Unlisted equity securities	非上市權益證券	22	561
Classified as: Financial assets at fair value through profit or loss	分類為： 按公平值計入損益的 金融資產	22	561

The above investment represented investments in unlisted equity securities in Hong Kong.

### 15. 投資物業 (續)

投資物業 (包括馬來西亞永久業權土地及樓宇) 乃以直線法按50年計算折舊。

截至2021年5月31日止年度，本集團自投資物業 (根據經營租賃出租) 賺取的租金收入約為零令吉 (2020年：12,000令吉)。截至2020年5月31日及2021年5月31日止年度，就投資物業產生的直接經營開支分別為2,549令吉及4,482令吉。

於2020年5月31日及2021年5月31日，由董事所估計本集團的投資物業公平值分別為690,000令吉及630,000令吉，乃根據去年投資物業的估值報告並更新計及近期涉及於鄰近地區類似物業的交易得出。估值為第三級公平值估算。於估計物業公平值時，物業的最高及最佳用途是指其現行用途。

### 16. 股權投資

上述投資指於香港的非上市權益證券投資。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 17. INVENTORIES

### 17. 存貨

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
At cost:	按成本：		
Raw materials and consumables	原材料及消耗品	772	750
Finished goods	製成品	1,304	1,586
		<b>2,076</b>	<b>2,336</b>

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

已確認為開支並計入損益的存貨金額分析如下：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Carrying amount of inventories sold	已售存貨的賬面值	<b>16,101</b>	12,219

### 18. RECEIVABLES, DEPOSITS AND PREPAYMENTS

### 18. 應收款項、按金及預付款

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Trade receivables	貿易應收款項	10,633	8,857
Less: Allowance for credit losses	減：信貸虧損撥備	(2,988)	(870)
		<b>7,645</b>	<b>7,987</b>
Other receivables	其他應收款項	133	154
Deposits	按金	2,014	3,177
Prepayments	預付款	65	705
		<b>9,857</b>	<b>12,023</b>

The amounts due from trade debtors are unsecured, do not carry any interest and the credit term granted by the Group ranges from 30 to 120 days.

應收貿易賬款無抵押且不計息，而本集團所授予的信貸期介乎30至120日。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18. RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date.

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
1-30 days	1至30日	1,560	308
31-60 days	31至60日	1,743	44
61-90 days	61至90日	1,413	876
91-120 days	91至120日	549	1,395
More than 120 days	120日以上	2,380	5,364
		7,645	7,987

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 27(b).

### 19. AMOUNTS OWING FROM ULTIMATE HOLDING COMPANY AND A SHAREHOLDER

The amount owing from 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. The maximum amount outstanding during the financial year is RM13,000 (2020: RM13,000).

### 18. 應收款項、按金及預付款 (續)

以下為根據發票日期呈列的貿易應收款項 (扣除信貸虧損撥備) 賬齡分析。

本集團貿易應收款項產生的信貸政策及信貸風險的進一步詳情載於附註27(b)。

### 19. 應收最終控股公司及股東款項

應收最終控股公司款項為非貿易性質、無抵押、免息及須按要求償還。

應收股東款項為非貿易性質、無抵押、免息及須按要求償還。於財政年度之最高未償還金額為13,000令吉 (2020年: 13,000令吉)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 20. SHORT-TERM BANK DEPOSITS, CASH AND BANK BALANCES

### 20. 短期銀行存款、現金及銀行結餘

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Current:	即期：		
Short-term bank deposits	短期銀行存款	10,080	10,135
Cash on hand and at bank	手頭及銀行現金	13,121	12,712
Total	總計	23,201	22,847
Less: Deposits pledged as security	減：已質押作擔保之存款	(1,157)	(1,135)
Cash and cash equivalents	現金及現金等價物	22,044	21,712

Short-term bank deposits of the Group have an average maturity ranging from 1 to 3 months. Bank balances are deposits held at with licensed banks.

The average interest rates of deposits of the Group are ranging from 1.49% to 3.65% (2020: 2.40% to 3.70%) per annum. Included in the short-term bank deposits are amounts totaling RM1,157,000 (2020: RM1,135,000) that have been pledged to secure general banking facilities granted to the Group as disclosed in note 29.

本集團短期銀行存款的平均到期日介乎1至3個月。銀行結餘為於持牌銀行的存款。

本集團存款的平均年利率介乎1.49%至3.65%(2020年：2.40%至3.70%)。短期銀行存款包括總額為1,157,000令吉(2020年：1,135,000令吉)的已質押金額，以為授予本集團的一般銀行融資提供擔保(如附註29所披露)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21. PAYABLES AND ACCRUED CHARGES

### 21. 應付款項及應計費用

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Trade payables	貿易應付款項	4,904	3,341
Accrued charges	應計費用	1,370	2,671
Other payables	其他應付款項	465	328
Advance from customers	客戶墊款	413	192
		<b>7,152</b>	<b>6,532</b>

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

貿易應付款項按發票日期呈列的賬齡分析如下：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
1-30 days	1至30日	1,384	514
31-60 days	31至60日	1,400	29
61-90 days	61至90日	1,463	403
91-120 days	91至120日	239	1,262
Over 120 days	120日以上	418	1,133
		<b>4,904</b>	<b>3,341</b>

The average credit period on purchases of goods is 30 to 75 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購貨的平均信貸期為30至75日。本集團設有財務風險管理政策以確保所有應付款項均在信貸期限內結清。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period.

### 22. 租賃負債

下表顯示本集團於報告期末的租賃負債的餘下合約期限的到期情況：

		2021 2021年 \$'000 千美元	2020 2020年 \$'000 千美元
Within 1 year	一年內	425	2,360
After 1 year but within 2 years	一年後但於兩年內	401	630
After 2 years but within 5 years	兩年後但於五年內	701	390
After 5 years	五年後	–	–
		1,102	1,020
		1,527	3,380

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 23. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Deferred tax assets	遞延稅項資產	32	32
Deferred tax liabilities	遞延稅項負債	(143)	(167)
		(111)	(135)

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
At beginning of year	於年初	135	207
Charged to profit or loss (note 10)	自損益扣除 (附註10)	(24)	(72)
At end of year	於年末	111	135

The deferred tax assets/(liabilities) mainly represent the tax effect of (deductible)/taxable temporary differences arising from property, plant and equipment.

### 23. 遞延稅項

倘有合法執行權利可將即期稅項資產對銷即期稅項負債以及倘遞延稅項與同一稅務機關相關，則遞延稅項資產及負債予以對銷。以下數額乃經恰當對銷後釐定，列示於財務狀況表：

遞延稅項資產／(負債) 主要指物業、廠房及設備的稅務影響(可扣減)／應課稅暫時性差額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 24. SHARE CAPITAL

### 24. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元		RM'000 千令吉
Ordinary shares of HK\$0.01 each		每股面值0.01港元的普通股			
<b>Authorised:</b>	<b>法定：</b>				
At 1 June 2019, 31 May 2020 and 31 May 2021	於2019年6月1日、2020年5月31日 及2021年5月31日	10,000,000	100,000		
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
1 June 2019	2019年6月1日	620,000	6,200		3,382
Issue of subscription shares by newly allotted ordinary shares (note c)	透過新配發普通股發行認購股份 (附註c)	68,200	682		383
At 31 May 2020	於2020年5月31日	688,200	6,882		3,765
Issue of subscription shares by newly allotted ordinary shares (note c)	透過新配發普通股發行 認購股份 (附註c)	96,000	960		512
At 31 May 2021	於2021年5月31日	784,200	7,842		4,277

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 24. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to the written resolutions passed by the shareholders of the Company on 27 June 2017, the authorised share capital was increased from HK\$380,000 comprising 38,000,000 shares at par value of HK\$0.01 each to HK\$100,000,000 comprising 10,000,000,000 shares of par value of HK\$0.01 each, by way of creation of an additional 9,962,000,000 shares at par value of HKD0.01 each.
- (b) On the same date, pursuant to the written resolutions passed by the shareholders of the Company, conditional upon the crediting of the Company's share premium account as a result of the issue of the public offer shares and the placing shares for the proposed initial listing of shares of the Company on the GEM of The Stock Exchange of Hong Kong Limited, the directors of the Company were authorised to capitalise an amount of HK\$4,399,000 (equivalent to approximately RM2,400,000) standing to the credit of the share premium account of the Company by applying such sum towards the paying up in full at par a total of 439,990,000 shares for allotment and issue to the shareholders as of 27 June 2017 ("**Capitalisation**").

On 19 July 2017, the Company has successfully listed on the GEM of The Stock Exchange of Hong Kong Limited and made an offering of 162,000,000 new shares by way of placement and 18,000,000 new shares by public offering priced at HKD0.28 per share ("**Placement and public offering**"). On the same date, the Company has completed the capitalisation issue to the shareholders after the successful listing on the GEM of The Stock Exchange of Hong Kong Limited.

This has resulted in the issued and paid-up share capital increased from HKD100 comprising 10,000 shares at par value of HKD0.01 each to HK\$6,200,000 (equivalent to approximately RM3,382,000) comprising 620,000,000 shares at par value of HKD0.01 each.

- (c) On 4 March 2021 (after trading hours), the Company entered into the subscription agreements with the each of the Subscribers, pursuant to which the Company allotted and issued subscription shares comprising 96,000,000 ordinary shares at Par value of HK\$0.01 each. The gross proceeds were HK\$4,992,000 (equivalent to approximately RM2,666,000) based on the price of HK0.052 per share of which a sum of HK\$960,000 (equivalent to approximately RM512,000) has credited to share capital and the balance of HK\$4,032,000 (equivalent to approximately RM2,154,000) has credited to share premium account.

On 17 April 2020 (after trading hours), the Company entered into the subscription agreement with the subscriber, the Company allotted and issued subscription shares comprising 68,200,000 ordinary shares at par value of HK\$0.01 each. The gross proceeds were HK\$8,525,000 (equivalent to approximately RM4,782,000) based on the price of HK\$0.125 per share of which a sum of HK\$682,000 (equivalent to approximately RM383,000) has credited to share capital and the balance of HK\$7,843,000 (equivalent to approximately RM4,399,000) has credited to share premium account.

### 24. 股本 (續)

附註：

- (a) 根據本公司股東於2017年6月27日通過的書面決議案，藉增設額外9,962,000,000股每股面值0.01港元的股份，法定股本由380,000港元（包括38,000,000股每股面值0.01港元的股份）增至100,000,000港元（包括10,000,000,000股每股面值0.01港元的股份）。
- (b) 同日，根據本公司股東通過的書面決議案，待本公司的股份溢價賬因就建議本公司股份首次於香港聯合交易所有限公司GEM上市發行公開發售股份及配售股份而錄得進賬後，授權本公司董事將本公司股份溢價賬的進賬金額4,399,000港元（相當於約2,400,000令吉）撥充資本，方法為利用有關金額按面值全數繳足439,990,000股配發及發行予截至2017年6月27日的股東的股份（「資本化」）。

於2017年7月19日，本公司已成功於香港聯合交易所有限公司GEM上市，並以配售形式提呈發售162,000,000股新股份，及以公開發售形式提呈發售18,000,000股新股份，價格為每股0.28港元（「配售及公開發售」）。同日，本公司於成功在香港聯合交易所有限公司GEM上市後完成向股東進行資本化發行。

此舉導致已發行及繳足股本由100港元（包括10,000股每股面值0.01港元的股份）增至6,200,000港元（相當於約3,382,000令吉）（包括620,000,000股每股面值0.01港元的股份）。

- (c) 於2021年3月4日（交易時段後），本公司與各認購人訂立認購協議，據此，本公司按配發及發行合共包含96,000,000股每股面值0.01港元之普通股的認購股份。所得款項總額為4,992,000港元（相當於約2,666,000令吉）（根據每股0.052港元），其中合共960,000港元（相當於約512,000令吉）已計入股本及餘額4,032,000港元（相當於約2,154,000令吉）已計入股份溢價賬。

於2020年4月17日（交易時段後），本公司與認購人訂立認購協議，本公司按配發及發行合共包含68,200,000股每股面值0.01港元之普通股的認購股份。所得款項總額為8,525,000港元（相當於約4,782,000令吉）（根據每股0.125港元），其中合共682,000港元（相當於約383,000令吉）已計入股本及餘額7,843,000港元（相當於約4,399,000令吉）已計入股份溢價賬。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 24. SHARE CAPITAL (Continued)

All ordinary shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

Pursuant to the written resolutions passed by the shareholders of the Company on 27 June 2017, the Company has conditionally adopted a share option scheme. No option was granted as at the date of this report.

### 24. 股本 (續)

所有於年內發行的普通股與當時現有的普通股在各方面享有同等地位。

根據本公司股東於2017年6月27日通過的書面決議案，本公司已有條件採納一項購股權計劃。於本報告日期，概無授出任何購股權。

### 25. RESERVES

#### (a) SHARE PREMIUM

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
At beginning of year	年初	24,290	19,891
Issue of subscription shares by newly allotted ordinary shares (note 24(c))	透過新配發普通股發行認購股份 (附註24(c))	2,154	4,399
At end of year	年末	26,444	24,290

#### (b) OTHER RESERVE

The other reserve at 31 May 2020 and 31 May 2021 represented the aggregate amount of the fully paid registered or paid-in capital of Target Precast Industries Sdn Bhd, Target Sales & Marketing Sdn Bhd, Target Crane & Logistic Sdn Bhd, Gallant Empire Limited, SK Target Holdings Sdn Bhd and Loyal Earn Limited.

### 25. 儲備

#### (a) 股份溢價

#### (b) 其他儲備

於2020年5月31日及2021年5月31日的其他儲備指Target Precast Industries Sdn Bhd、Target Sales & Marketing Sdn Bhd、Target Crane & Logistic Sdn Bhd、Gallant Empire Limited、SK Target Holdings Sdn Bhd及Loyal Earn Limited的繳足註冊或實收資本總額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 25. RESERVES (Continued)

#### (c) TRANSLATION RESERVE

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### 26. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of equity balance. Equity balance consists of equity attributable to owners of the Company, comprising share capital and retained profits.

The management of the Group reviews the capital structure on an on-going annual basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management of the Group, the Group will balance its overall capital structure through the payment of dividends as well as the issue of new debt and repayment of debt.

### 25. 儲備 (續)

#### (c) 匯兌儲備

外幣匯兌儲備用於記錄換算功能貨幣不同於本集團呈列貨幣的外國業務的財務報表產生的匯兌差額。

### 26. 資本風險管理

本集團管理其資本以確保本集團各實體可持續經營，並透過優化債務及股權餘額為利益相關者帶來最大回報。年內，本集團整體策略保持不變。

本集團的資本架構由融資租賃、銀行借款及股權餘額組成。股權餘額包括本公司擁有人的應佔股權，包含股本及保留溢利。

本集團管理層一直按年審視資本架構。作為審視的一部分，本集團管理層考慮資本成本及各類資本相關風險。根據本集團管理層的建議，本集團將通過派付股息以及發行新債務及償還債務平衡其整體資本架構。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2021	2020
		2021年	2020年
		RM'000	RM'000
		千令吉	千令吉
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本計量的金融資產	33,028	34,195
Equity investment	股權投資	22	561
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	8,679	9,912

#### (b) Financial risk management objectives and policies

The Group's major financial instruments and details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

##### Market risk

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to the Group's bank balances and fair value interest rate risk in relation to fixed rate lease liabilities.

The Group currently does not have an interest rate hedging policy. However, management closely monitors its exposure to future cash flow interest rate risk as a result of changes in market interest rates and will consider hedging changes in market interest rates should the need arise.

### 27. 金融工具

#### (a) 金融工具類別

#### (b) 財務風險管理目標及政策

本集團的主要金融工具及該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險及如何減低該等風險的政策載列如下。

##### 市場風險

##### 利率風險

本集團面對與本集團銀行結餘及與固定利率租賃負債相關的公平值利率風險。

本集團現時並無利率對沖政策。然而，管理層密切監察因市場利率變動而引致其面對未來現金流利率的風險，並將於有需要時考慮對沖市場利率變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Sensitivity analysis

Lease liabilities which are fixed rate instruments are insensitive to any change in interest rates. A change in interest rate at the end of the reporting period would not affect profit or loss.

No sensitivity analysis is provided on bank balances as the management of the Company considers that the interest rate fluctuation on bank are minimal and the impact from the exposure to interest rate risk sensitivity is considered insignificant.

##### Currency risk

The Group has certain bank balances denominated in HKD other than the functional currency of respective group entities, which expose the Group to foreign currency risk.

The Group manages the risk by closely monitoring the movement of the foreign currency rate.

If the currency of the respective cash and bank balances had been 5% higher/lower, the post-tax loss of the Group for the year will decrease/increase by:

		The Group 本集團	
		2021 2021年	2020 2020年
		RM'000 千令吉	RM'000 千令吉
HKD	港元	51	157

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 敏感度分析

固定利率工具之租賃負債對利率的任何變動並不敏感。於報告期末，利率變動將不會影響損益。

概無就銀行結餘提供敏感度分析，原因為本公司管理層認為銀行的利率波動微不足道，且就面對利率風險的敏感度而言，影響被視為並不重大。

##### 貨幣風險

除各集團實體功能貨幣外，本集團若干銀行結餘以港元計值，從而使本集團面臨外幣風險。

本集團通過密切監控外匯匯率變動管理該風險。

倘各現金及銀行結餘的貨幣升值／貶值5%，則本集團於年內的稅後虧損將減少／增加：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

The Group's exposure to credit risk is primarily due to the collectability risk of the trade receivables. The length of the credit period granted by the Group will depend on the customers' scale of operation, reputation and credibility. The Group performs ongoing credit evaluation on the financial condition of trade debtors and tightly monitors the overdue debts. The Group will take the necessary follow up action in case of long outstanding debts or when the above credit evaluation results draw the attention of management.

At the end of each reporting period, the Group's maximum exposure to credit risk which might cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group has no significant concentration of credit risk with its exposure spread over a large number of customers.

The credit risk on liquid funds of the Group is limited because the counterparties are banks with good credit ratings and the Group has limited exposure to any single financial institution.

##### *Trade receivables arising from contracts with customers*

In order to minimise the credit risk, the management of the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group performs impairment assessment under ECL model upon application of IFRS 9 on trade balances individually. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估

本集團涉及的信貸風險主要是由於貿易應收款項的可收回風險所致。本集團所授予信貸期的期限將視乎客戶的營運規模、聲譽及信譽而定。本集團就貿易債務人的財務狀況進行持續的信貸評估，並緊密監察逾期債務。倘屬長期未償還債項或上述信貸評估結果需要管理層關注，本集團將採取必要的跟進行動。

於各報告期末，本集團因對手方未能履行責任可能造成本集團財務損失而面對的最高信貸風險，乃源自於綜合財務狀況表所示相關已確認金融資產的賬面值。

本集團並無重大集中的信貸風險，有關風險乃分散至大量客戶。

由於對手方為具有良好信貸評級的銀行，且本集團就任何單一財務機構所面對的風險有限，故本集團流動資金的信貸風險亦有限。

##### 客戶合約產生的貿易應收款項

為盡量減低信貸風險，本集團管理層一直監控程序以確保採取跟進行動追收逾期債務。本集團於應用國際財務報告準則第9號後根據預期信貸虧損模式對貿易應收款項個別進行減值評估。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

(Continued)

Trade receivables arising from contracts with customers (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

客戶合約產生的貿易應收款項 (續)

本集團的內部信貸風險評級評估包括以下類別：

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手方的違約風險較低，且並無任何逾期款項	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	12-month (“12m”) ECL 12個月 (「12個月」) 預期信貸虧損
Watch list 監察名單	Debtor frequently repays after due dates but usually settle after due date 債務人經常於逾期日後還款，但通常於逾期日後結算	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 以內部或外部資源獲得的資料顯示自初始確認以來信貸風險顯著增加	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值
Loss 虧損	There is evidence indicating the asset is creditimpaired 有證據顯示資產已發生信貸減值	Lifetime ECL – creditimpaired 全期預期信貸虧損 已發生信貸減值	Lifetime ECL – creditimpaired 全期預期信貸虧損 已發生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團並無實際收回的可能	Amount is written off 有關款項獲撇銷	Amount is written off 有關款項獲撇銷

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

(Continued)

Trade receivables arising from contracts with customers (Continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

客戶合約產生的貿易應收款項 (續)

下表詳述本集團須接受預期信貸虧損評估的金融資產的信貸風險敞口：

Note	External credit rating	Internal credit rating	12-month or lifetime ECL	2021 Gross carrying amount 2021年總賬面值 RM'000 千令吉	2020 Gross carrying amount 2020年總賬面值 RM'000 千令吉	
附註	外部信貸評級	內部信貸評級	12個月或全期預期信貸虧損			
Financial assets at amortised cost 按攤銷成本計量的金融資產						
Amount owing from ultimate holding company 應收最終控股公司款項	19	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	24	17
Amount owing from a shareholder 應收股東款項	19	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	11	13
Short-term bank deposits 短期銀行存款	20	A1, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	10,080	10,135
Cash at bank 銀行現金		A1, AA3, AAA	N/A 不適用	12m ECL 12個月預期信貸虧損	13,121	12,712
Other receivables 其他應收款項	18	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	133	154
Deposits 按金	18	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月預期信貸虧損	2,014	3,177
Trade receivables – goods and services 貿易應收款項 – 貨物及服務	18	N/A 不適用	Low risk 低風險	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	5,538	4,314
			Watch list 觀察清單	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	746	1,534
			Doubtful 呆賬	Lifetime ECL – not credit-impaired 全期預期信貸虧損 未發生信貸減值	359	825
			Loss 虧損	Lifetime ECL – credit-impaired 全期預期信貸虧損 已發生信貸減值	3,990	2,184

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

(Continued)

Trade receivables arising from contracts with customers (Continued)

Note:

- For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

客戶合約產生的貿易應收款項 (續)

附註：

- 就內部信貸風險管理而言，本集團使用逾期資料評估自初始確認後信貸風險是否已大幅增加。

2021	Past due	Not past due/ No fixed repayment terms	Total
2021年	逾期	未逾期／無固定 還款期限	總計
	RM'000	RM'000	RM'000
	千令吉	千令吉	千令吉

Amount owing from ultimate holding company	應收最終控股公司 款項	-	24	24
Amount owing from a shareholder	應收股東款項	-	11	11
Other receivables	其他應收款項	-	133	133
Deposits	按金	-	2,014	2,014

2020	Past due	Not past due/ No fixed repayment terms	Total
2020年	逾期	未逾期／無固定 還款期限	總計
	RM'000	RM'000	RM'000
	千令吉	千令吉	千令吉

Amount owing from ultimate holding company	應收最終控股公司 款項	-	17	17
Amount owing from a shareholder	應收股東款項	-	13	13
Other receivables	其他應收款項	-	154	154
Deposits	按金	-	3,177	3,177



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

(Continued)

Trade receivables arising from contracts with customers (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

客戶合約產生的貿易應收款項 (續)

下表列示根據簡化方法就貿易應收款項確認的全期預期信貸虧損的變動。

		Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		全期預期 信貸虧損 未發生 信貸減值 RM'000 千令吉	全期預期 信貸虧損 已發生 信貸減值 RM'000 千令吉	總計 RM'000 千令吉
At 1 June 2019	於2019年6月1日	27	102	129
- Impairment losses recognised	- 已確認減值虧損	764	-	764
- Write-offs	- 撇銷	-	(23)	(23)
At 31 May 2020	於2020年5月31日	791	79	870
At 1 June 2020	於2020年6月1日	791	79	870
- Impairment losses recognised	- 已確認減值虧損	349	1,859	2,208
- Impairment losses reversed	- 已撥回減值虧損	-	(83)	(83)
- Write-offs	- 撇銷	-	(7)	(7)
At 31 May 2021	於2021年5月31日	1,140	1,848	2,988

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

(Continued)

*Trade receivables arising from contracts with customers (Continued)*

As part of the Group's credit risk management, the Group applies internal credit rating for its borrowers. The ECL rate are estimated based on its credit rating, past and current default record and current past due exposure of the borrower. At 31 May 2021, the trade receivables of approximately RM7,329,000 was past due (2020: RM7,875,000) and impairment loss of approximately RM2,988,000 was recognised for the year end 31 May 2021 (2020: RM870,000).

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

The Group make periodic individual assessment on the recoverability of deposits based on historical settlement records, past experience, and also quantitative information that is reasonable and supportive forward-looking information. The director of the Group believe that there are no significant increase in credit risk of these amounts since initial recognition. At 31 May 2021, the Group provided impairment loss of approximately RM666,000 (2020: RM369,000) based on 12-month ECL.

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

*客戶合約產生的貿易應收款項 (續)*

作為本集團信貸風險管理一部分，本集團對其借款人應用內部信貸評級。預期信貸虧損率乃根據其信貸等級、過往及當前之違約記錄以及借款人當前逾期敞口估計。於2021年5月31日，約7,329,000令吉的貿易應收款項已逾期（2020年：7,875,000令吉）。截至2021年5月31日止年度，約2,988,000令吉之減值虧損已確認（2020年：870,000令吉）。

倘有資料顯示債務人面臨嚴重財務困難，且實際上並無收回款項的前景（如債務人被清盤或進入破產程序，則本集團撇銷貿易應收款項。

本集團根據歷史結算記錄、過往經驗以及定量資料（亦為合理且有支持性之前瞻性資料）對可收回按金進行定期評估。本集團董事認為，自初始確認起，該等金額之信貸風險並無顯著增加。於2021年5月31日，本集團基於12個月預期信貸虧損已提供約666,000令吉（2020年：369,000令吉）之減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities which has been drawn up based on the undiscounted cash flows of the non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for the financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows, to the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險

在管理流動資金風險時，本集團對現金及現金等價物的水平進行監察並將其維持在管理層認為足以為本集團業務營運提供資金的水平，並減少現金流量波動的影響。

下表詳列本集團非衍生金融負債的剩餘合約年期。該表按本集團可被要求付款的最早日期的非衍生金融負債未貼現現金流量列示。金融負債的到期日根據協定還款日期而定。

表中包括利息及本金現金流量。倘利率為浮動利率，則未貼現金額按報告期末的利率曲線計算。

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 12 months 按要求或 12個月以下 RM'000 千令吉	1 to 2 years 1至2年 RM'000 千令吉	Over 2 years 2年以上 RM'000 千令吉	Total undiscounted cash flows 未貼現現金 流量總額總 RM'000 千令吉	Total carrying amount 賬面值 RM'000 千令吉
<b>As at 31 May 2020</b>	<b>於2020年5月31日</b>						
Payables and accrued charges	應付款項及應計費用	-	6,532	-	-	6,532	6,532
Lease liabilities	租賃負債	4.55%	2,456	657	408	3,521	3,380
<b>As at 31 May 2021</b>	<b>於2021年5月31日</b>						
Payables and accrued charges	應付款項及應計費用	-	7,152	-	-	7,152	7,152
Lease liabilities	租賃負債	4.55%	474	432	720	1,626	1,527

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

The Company provides financial guarantees to banks for banking facilities of its subsidiary company. The Company monitors on an ongoing basis, the results of the subsidiary company and repayments made by the subsidiary company. The maximum exposure to credit risk are equivalent to the amounts of the banking facilities utilised by the said subsidiary company as of the reporting date. As of the reporting date, there was no indicator that the subsidiary company would default on repayment.

#### (c) Fair value measurement

##### (i) Financial assets and liabilities measured at fair value

###### Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

### 27. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

本公司已就其附屬公司之銀行融資向銀行作出公司擔保。本公司持續監控附屬公司業績及還款情況。所面臨之最大信貸風險相當於所述附屬公司截至報告日期所動用之銀行融資金額。截至報告日期，概無跡象表明附屬公司將拖欠還款。

#### (c) 公平值計量

##### (i) 按公平值計量的金融資產及負債

###### 公平值層級

下表按國際財務報告準則第13號公平值計量所界定的三個公平值等級，列示本集團金融工具於報告期末按經常性準則計量的公平值。公平值計量所歸入的等級參照估值技術所用輸入數據的可觀察性及重要性釐定如下：

- 第一級估值：僅使用第一級輸入數據，即相同資產或負債於計量日於活躍市場的報價（未經調整）計量的公平值。
- 第二級估值：使用第二級輸入數據，即不符合第一級標準的可觀察輸入數據，且不使用重要不可觀察輸入數據計量的公平值。不可觀察輸入數據指並無可得市場數據的輸入數據。
- 第三級估值：使用重要不可觀察輸入數據計量的公平值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (c) Fair value measurement (Continued)

##### (i) Financial assets and liabilities measured at fair value (Continued)

###### Fair value hierarchy (Continued)

The Group has a team headed by the finance manager performing valuations for the financial instruments, including equity investment which are categorised into Level 3 of the fair value hierarchy. The team reports directly to the chief financial officer and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date, and is reviewed and approved by the chief financial officer. Discussion of the valuation process and results with the chief financial officer and the audit committee is held twice a year, to coincide with the reporting dates.

### 27. 金融工具 (續)

#### (c) 公平值計量 (續)

##### (i) 按公平值計量的金融資產及負債 (續)

###### 公平值層級 (續)

本集團擁有一支由財務經理領導之團隊，負責就金融工具（包括分類為公平值層級第3級的股權投資）。進行估值。該團隊直接向財務總監及審核委員會報告。載有公平值計量變動分析之估值報告乃由團隊於各中期及年度報告日期編製，並由財務總監審閱及批准。團隊就估值過程及結果每年與財務總監及審核委員會進行兩次討論，以與報告日期保持一致。

	Fair value measurements as at 31 May 2021 categorised into 於2021年5月31日分類之公平值計量				Fair value measurements as at 31 May 2020 categorised into 於2020年5月31日分類之公平值計量			
	Fair value at 31 May 2021 於2021年 5月31日 之公平值 RM'000 千令吉	Level 1 第1層級 RM'000 千令吉	Level 2 第2層級 RM'000 千令吉	Level 3 第3層級 RM'000 千令吉	Fair value at 31 May 2020 於2020年 5月31日 之公平值 RM'000 千令吉	Level 1 第1層級 RM'000 千令吉	Level 2 第2層級 RM'000 千令吉	Level 3 第3層級 RM'000 千令吉
Recurring fair value measurements 經常性公平值計量								
Assets: 資產:								
Financial assets 按公平值計入損 益之金融資產								
Equity investment 股權投資	22	-	-	22	561	-	-	561

During the year ended 31 May 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至2021年5月31日止年度，第一層級與第二層級之間並無轉撥，而第三層級亦無轉入或轉出。本集團政策為於公平值層級之間出現轉撥的報告期末確認轉撥。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27. FINANCIAL INSTRUMENTS (Continued)

#### (c) Fair value measurement (Continued)

##### (i) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍
Unlisted equity instruments 非上市股本工具	Market comparable companies 市場可資比較公司	Discount for lack of marketability 缺乏市場流通性貼現	20%

The fair value of unlisted equity instruments is determined using the price/earning ratios of comparable listed companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. At 31 May 2021, it is estimated that with all other variables held constant, a decrease/increase in discount for lack of marketability by 20% would have increased/decreased the Group's other comprehensive income by approximately RM5,000 (2020: RM300,000).

##### (ii) Fair value of the financial assets and liabilities carried other than fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Fair values of the financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

### 27. 金融工具 (續)

#### (c) 公平值計量 (續)

##### (i) 按公平值計量的金融資產及負債 (續)

有關第三級公平值計量之資料

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍
Unlisted equity instruments 非上市股本工具	Market comparable companies 市場可資比較公司	Discount for lack of marketability 缺乏市場流通性貼現	20%

非上市股本工具的公平值乃使用可資比較上市公司的市盈率，並就缺乏市場流通性折現作出調整而釐定。公平值計量與缺乏市場流通性折現成反比。於2021年5月31日，倘所有其他變量維持不變，則估計缺乏市場流通性折現減少／增加20%，可導致本集團其他全面收益將增加／減少5,000令吉（2020年：300,000令吉）。

##### (ii) 非以公平值列賬的金融資產及負債的公平值

董事認為，於綜合財務報表按攤銷成本入賬的其他金融資產及其他金融負債的賬面值與其公平值相若。其他金融資產及其他金融負債的公平值已根據公認定價模式按貼現現金流量分析釐定，且最重要輸入數據為反映對手方信貸風險的貼現率。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the reconciliation of opening and closing amounts in the consolidated statement of financial position for each liability for which cash flows have been or would be, classified as financing activities in the consolidated statement of cash flows:

### 28. 融資活動產生的負債對賬下

下表載列於綜合現金流量表已或將分類為融資活動的現金流量各項負債於綜合財務狀況表之期初及期末金額對賬詳情：

		Share capital 股本 RM'000 千令吉	Share premium 股份溢價 RM'000 千令吉	Interest payable 應付利息 RM'000 千令吉	Lease liabilities 租賃負債 RM'000 千令吉	Total 總計 RM'000 千令吉
At 1 June 2019	於2019年6月1日	3,382	19,891	-	-	23,273
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>					
Capital element of lease rentals paid	已付租金之資本部分	-	-	-	(2,098)	(2,098)
Interest element of lease rentals paid	已付租金之利息部分	-	-	-	(186)	(186)
Proceeds from issue of shares	發行股份所得款項	383	4,399	-	-	4,782
Finance costs paid	已付融資成本	-	-	(39)	-	(39)
		3,765	24,290	(39)	(2,284)	25,732
<b>Other changes:</b>	<b>其他變動：</b>					
Increase in lease liabilities from entering into new lease during the year	年內訂立新租賃之租賃負債增加	-	-	-	5,478	5,478
Interest expenses	利息開支	-	-	39	186	225
At 31 May 2020 and 1 June 2020	於2020年5月31日及2020年6月1日	3,765	24,290	-	3,380	31,435
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>					
Capital element of lease rentals paid	已付租金之資本部分	-	-	-	(1,004)	(1,004)
Interest element of lease rentals paid	已付租金之利息部分	-	-	-	(89)	(89)
Proceeds from issue of shares	發行股份所得款項	512	2,154	-	-	2,666
Finance costs paid	已付融資成本	-	-	(10)	-	(10)
		4,277	26,444	(10)	2,287	32,998
<b>Other changes:</b>	<b>其他變動：</b>					
Lease modification	租賃修改	-	-	-	(849)	(849)
Interest expenses	利息開支	-	-	10	89	99
At 31 May 2021	於2021年5月31日	4,277	26,444	-	1,527	32,248

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 29. BANKING FACILITIES

At 31 May 2021, a subsidiary company of the Group has banking facilities amounting to RM5,750,000 (2020: RM5,750,000).

These facilities are secured by:

- (i) leasehold land and building with a carrying amount of approximately RM144,000 (2020: RM149,000);
- (ii) fixed deposits amounting to approximately RM1,157,000 (2020: RM1,135,000); and
- (iii) corporate guarantee by the Company amounting to RM5,750,000 (2020: RM5,750,000).

At 31 May 2021, there are utilisation of banking facilities amounted to RM534,000 (2020: RM534,000).

### 29. 銀行融資

於2021年5月31日，本集團的一間附屬公司的銀行融資為5,750,000令吉（2020年：5,750,000令吉）。

該等融資由以下各項抵押：

- (i) 賬面值約為144,000令吉（2020年：149,000令吉）的租賃土地及樓宇；
- (ii) 約為1,157,000令吉（2020年：1,135,000令吉）的定期存款；及
- (iii) 本公司提供的5,750,000令吉（2020年：5,750,000令吉）公司擔保。

於2021年5月31日，動用的銀行融資為534,000令吉（2020年：534,000令吉）。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30. LEASE COMMITMENT

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments in respect of factory, shop, staff accommodation and office equipment under non-cancellable operating leases which fall due as follows:

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
Within one year	一年內	–	517
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	–	–
		–	517

At 31 May 2021, the Group was the lessee in respect of certain properties and assets under lease which were classified as short-term leases under IFRS 16. The Group elected to recognise the lease payments for these leases on a straight-line basis over the lease term, rather than applying the new lessee accounting model.

### 30. 租賃承擔

#### 本集團作為承租人

於報告期末，本集團根據不可取消的經營租賃有關工廠、店鋪、員工宿舍及辦公設備的未來最低租賃付款承擔於下列時間到期：

於2021年5月31日，本集團為租賃項下若干物業及資產的承租人，該等租賃根據國際財務報告準則第16號分類為短期租賃。本集團選擇以直線法於租期內為該等租賃確認租賃付款，而非應用新承租人會計模式。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31. INTERESTS IN SUBSIDIARY COMPANIES

During the year, the Company has direct and indirect shareholders/equity interests in the following subsidiary companies:

### 31. 於附屬公司的權益

年內，本公司於下列附屬公司擁有直接及間接股東／股本權益：

Name of Company 公司名稱	Place of incorporation/ operation 註冊成立／ 營業地點	Equity attributable to the Group 本集團應佔股權			Principal activities 主要業務
		Issued and fully paid-up share capital 已發行及繳足股本	At 31 May 2021 於2021年5月31日	At 31 May 2020 於2020年5月31日	
Target Precast Industries Sdn. Bhd.	Malaysia 馬來西亞	RM500,000 500,000令吉	100%	100%	Manufacturing and trading of precast concrete junction boxes 製造及買賣預製混凝土接線盒
Target Sales & Marketing Sdn. Bhd.	Malaysia 馬來西亞	RM70,002 70,002令吉	100%	100%	Trading of precast concrete junction boxes and accessories and pipes 買賣預製混凝土接線盒及配件及管道
Target Crane & Logistic Sdn. Bhd.	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Provision of mobile crane rental and ancillary services 提供移動式起重機租賃及配套服務
Gallant Empire Limited*	British Virgins Island 英屬處女群島	US\$1,000 1,000美元	100%	100%	Investment holding 投資控股
SK Target Holdings Sdn. Bhd.	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Investment holding 投資控股
Loyal Earn Limited	Hong Kong 香港	HKD1 1港元	100%	100%	Provision of sourcing of material suppliers services 提供材料採購供應商服務
Target Foundry Sdn Bhd <sup>1</sup>	Malaysia 馬來西亞	RM100 100令吉	100%	100%	Inactive 暫無營業
Extra Mega Limited <sup>2</sup>	Hong Kong 香港	HKD1 1港元	100%	100%	Provision of Japanese catering services 提供日料服務
SK Solutions Limited	Hong Kong 香港	HKD100 100港元	100%	100%	Inactive 暫無營業

\* Directly held by the Company

\* 由本公司直接持有

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31. INTERESTS IN SUBSIDIARY COMPANIES

(Continued)

Notes:

- (1) On 1 September 2017, the Group acquired the entire issued share capital of Target Foundry Sdn Bhd (“**Target Foundry**”), a dormant company incorporated in Malaysia, for a cash consideration of RM100 from Mr. Loh Swee Keong, a director of the Company and his sibling, Ms. Loh Lily. This acquisition has been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was RM10,338.
- (2) Extra Mega Limited (“**EML**”) was incorporated in Hong Kong with limited liability on 4 April 2018. On the date of incorporation, EML allotted and issued as fully paid one (1) share (representing the entire share capital of EML) to the initial subscriber, which was then transferred to Gallant Empire Ltd. at the consideration of HKD1 on 26 April 2018. EML is engaged in the provision of Japanese catering services in China – Hong Kong.

None of the subsidiary companies had issued any debt securities at the end of the reporting period.

### 32. PERFORMANCE GUARANTEE

At the end of the reporting period, the Group has provided a performance guarantee in respect of a project signed with Telekom Malaysia Berhad, a customer, amounting to RM534,000 for securing a project. This guarantee will be discharged upon the completion of the project.

### 33. RELATED PARTIES TRANSACTIONS

- (a) Balances with related parties are disclosed in the consolidated statement of financial position and in note 19.
- (b) The remuneration paid or payable to the key management personnel, being the directors of the Company, during the year is included in Note 6. The remuneration of key management personnel is determined with reference to the performance of the individuals and market trends.
- (c) Acquisition of the entire interest in Target Foundry Sdn. Bhd. from Mr. Loh Swee Keong, a director of the Company and Ms. Loh Lily, the sibling of Mr. Loh Swee Keong as disclosed in note 31.

### 31. 於附屬公司的權益 (續)

附註：

- (1) 於2017年9月1日，本集團自本公司董事Loh Swee Keong先生及其胞妹Loh Lily女士收購Target Foundry Sdn Bhd (「**Target Foundry**」) 全部已發行股本，該公司為一間於馬來西亞註冊成立的不活躍公司，現金代價為100令吉。該收購事項乃採用收購法入賬。收購事項所產生的商譽金額為10,338令吉。
- (2) Extra Mega Limited (「**EML**」) 於2018年4月4日在香港註冊成立為有限公司。於註冊成立日期，EML以繳足股款形式配發及發行一(1)股股份(相當於EML的全部股本)予初步認購人，其後於2018年4月26日以代價1港元轉讓予Gallant Empire Ltd.。EML於中國香港經營日本餐廳。

概無附屬公司於報告期末發行任何債務證券。

### 32. 履約擔保

於報告期末，本集團已就與一名客戶Telekom Malaysia Berhad簽署的項目提供履約擔保，金額為534,000令吉，以擔保有關項目。該擔保將於項目完成後解除。

### 33. 關聯方交易

- (a) 與關聯方的結餘於綜合財務狀況表及附註19披露。
- (b) 年內已付或應付主要管理人員(即本公司董事)的薪酬載於附註6。主要管理人員的薪酬乃參考個人表現及市場趨勢釐定。
- (c) 誠如附註31所披露，自Loh Swee Keong先生(本公司董事)及Loh Lily女士(Loh Swee Keong先生的胞妹)收購Target Foundry Sdn. Bhd.的全部權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

### 34. 本公司的財務狀況表

本公司於報告期末的財務狀況表的資料包括：

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
<b>Non-Current Asset</b>	<b>非流動資產</b>		
Investment in a subsidiary company	於附屬公司的投資	4	4
<b>Current Assets</b>	<b>流動資產</b>		
Receivables, deposits and prepayment	應收款項、按金及預付款	1,381	1,790
Amount owing from subsidiary companies (Note a)	應收附屬公司款項 (附註a)	542	494
Cash on hand and at bank	手頭及銀行現金	37	5
<b>Total Current Assets</b>	<b>流動資產總值</b>	<b>1,960</b>	<b>2,289</b>
<b>Current Liabilities</b>	<b>流動負債</b>		
Payable and accrued charges	應付款項及應計費用	403	721
Amount owing to subsidiary companies (Note a)	應付附屬公司款項 (附註a)	2,668	2,808
<b>Total Current Liabilities</b>	<b>流動負債總額</b>	<b>3,071</b>	<b>3,529</b>
<b>Net Current Liabilities</b>	<b>淨流動負債</b>	<b>(1,111)</b>	<b>(1,240)</b>
<b>Net Liabilities</b>	<b>淨負債</b>	<b>(1,107)</b>	<b>(1,236)</b>
<b>Capital and Reserves</b>	<b>資本及儲備</b>		
Share capital	股本	4,277	3,765
Share premium	股份溢價	26,444	24,290
Accumulated losses (note b)	累計虧損 (附註b)	(31,828)	(29,291)
<b>Total Equity</b>	<b>權益總額</b>	<b>(1,107)</b>	<b>(1,236)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

The movements of accumulated loss is as follows:

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
<b>At beginning of year</b>	於年初	(29,291)	(25,862)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	(2,537)	(3,429)
<b>At end of year</b>	於年終	<b>(31,828)</b>	(29,291)

Notes:

- (a) The amounts owing from/(to) subsidiary companies are unsecured, interest-free and repayable on demand.
- (b) The loss for the year ended 31 May 2021 mainly comprises the allowance for credit losses recognised against amount owing from subsidiary companies of RM2,150,000 (2020: RM1,115,000).

The financial position of the Company was approved and authorised for issue by the Board of Directors on and are signed on behalf by:

**Loh Swee Keong**

Director  
董事

### 34. 本公司的財務狀況表 (續)

累計虧損的變動如下:

		2021 2021年 RM'000 千令吉	2020 2020年 RM'000 千令吉
<b>At beginning of year</b>	於年初	(29,291)	(25,862)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	(2,537)	(3,429)
<b>At end of year</b>	於年終	<b>(31,828)</b>	(29,291)

附註:

- (a) 應收/(應付) 附屬公司款項為無抵押、免息及須按要求償還。
- (b) 截至2021年5月31日止年度之虧損主要包括應收附屬公司確認的信貸虧損撥備2,150,000令吉(2020年: 1,115,000令吉)。

本公司的財務狀況表由董事會批准並授權刊發，並由下列董事代表簽署:

**Chu Kin Ming**

朱健明  
Independent Non-Executive Director  
獨立非執行董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MAY 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments and a new standard which are not yet effective for the year ended 31 May 2021 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

IFRS 17	Insurance Contracts and the related Amendments <sup>1</sup>
Amendments to IFRS 3	Reference to the Conceptual Framework <sup>2</sup>
Amendments to IFRS 16	Covid-19-Related Rent Concessions <sup>4</sup>
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 <sup>6</sup>
Amendments to IFRS 9, IAS 39, HKFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2 <sup>5</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>1</sup>
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies <sup>1</sup>
Amendments to IAS 8	Definition of Accounting Estimates <sup>1</sup>
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>1</sup>
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use <sup>2</sup>
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract <sup>2</sup>
Amendments to IFRSs	Annual Improvements to HKFRSs 2018-2020 <sup>2</sup>

### 35. 已頒佈但於截至2021年5月31日止年度尚未生效之修訂、新增準則及詮釋之可能影響

截至該等財務報表刊發日期，國際會計準則理事會已頒佈多項修訂本及一項新準則，尚未於截至2021年5月31日止年度生效及於該等財務報表內採納。該等發展包括下列可能與本集團相關者。

國際財務報告準則第17號	保險合約及相關修訂本 <sup>1</sup>
國際財務報告準則第3號 (修訂本)	概念框架之提述 <sup>2</sup>
國際財務報告準則第16號 (修訂本)	Covid-19相關租金減免 <sup>4</sup>
國際財務報告準則第16號 (修訂本)	於2021年6月30日後之 Covid-19相關租金減免 <sup>6</sup>
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號 (修訂本)	利率基準改革 – 第2階段 <sup>5</sup>
國際財務報告準則第10號及國際會計準則第28號 (修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注入 <sup>3</sup>
國際會計準則第1號 (修訂本)	香港詮釋第5號將負債分類為流動或非流動及相關修訂本 <sup>1</sup>
國際會計準則第1號及國際財務報告準則實務聲明第2號 (修訂本)	會計政策的披露 <sup>1</sup>
國際會計準則第8號 (修訂本)	會計估計的定義 <sup>1</sup>
國際會計準則第12號 (修訂本)	與單一交易產生的資產及負債相關的遞延稅項 <sup>1</sup>
國際會計準則第16號 (修訂本)	物業、廠房及設備 – 作擬定用途前之所得款項 <sup>2</sup>
國際會計準則第37號 (修訂本)	虧損合約 – 履行合約之成本 <sup>2</sup>
國際財務報告準則 (修訂本)	國際財務報告準則2018年至2020年之年度改進 <sup>2</sup>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MAY 2021 *(Continued)*

- 1 Effective for annual periods beginning on or after 1 January 2023
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for annual periods beginning on or after a date to be determined
- 4 Effective for annual periods beginning on or after 1 June 2020
- 5 Effective for annual periods beginning on or after 1 January 2021
- 6 Effective for annual periods beginning on or after 1 April 2021

The directors anticipate that the application of all other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### 35. 已頒佈但於截至2021年5月31日止年度尚未生效之修訂、新增準則及詮釋之可能影響 (續)

- 1 於2023年1月1日或之後開始之年度期間生效
- 2 於2022年1月1日或之後開始之年度期間生效
- 3 於待定日期或之後開始之年度期間生效
- 4 於2020年6月1日或之後開始之年度期間生效
- 5 於2021年1月1日或之後開始之年度期間生效
- 6 於2021年4月1日或之後開始之年度期間生效

本公司董事預計應用所有其他新訂及經修訂國際財務報告準則於可見未來將不會對綜合財務報表產生重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36. EVENTS AFTER THE END OF THE REPORTING PERIOD

- a) The continuous outbreak of the COVID-19 throughout 2020 has brought additional uncertainties in the Group's operating environment and may impact the Group's operations and financial position. The management of the Group has closely monitored the impact from the epidemic on the Group's businesses.

Due to the outbreak of the COVID-19, the management of the Group expects these factors may create more uncertainty to the growth of the economy in the foreseeable future. The management of the Group will continue to monitor the business environment and make appropriate adjustments to the Group's operations should there be a need.

- b) Pursuant to an ordinary resolution passed at the Company's extraordinary general meeting held subsequent to the end of the reporting on 16 August 2021, the Company consolidated every 8 issued shares of HK\$0.01 each into 1 consolidated share of HK\$0.08 each. The share consolidation became effective on 18 August 2021.
- c) On 18 August 2021 (after trading hours), the Company entered into the subscription agreement with the subscriber, pursuant to which the Company will allot and issue an aggregate of 5,205,000 subscription shares at the subscription price of HK\$0.36 per share and the gross proceeds from the subscription is approximately HK\$1,874,000. The subscription has not yet completed up to the date of this annual report.

### 36. 報告期末後事項

- a) 2020年全年持續爆發COVID-19給本集團的經營環境帶來了更多的不確定性，並對本集團的經營及財務狀況造成影響。本集團管理層持續密切關注疫情對本集團業務的影響。

由於COVID-19的爆發，本公司管理層預計，於可預見未來，該等因素可能會對經濟增長帶來更多不確定性。本公司管理層將繼續監控業務環境，並於需要時對本集團的經營作出恰當調整。

- b) 根據於2021年8月16日報告期末後舉行之本公司股東特別大會通過之一項普通決議案，本公司將每8股每股面值0.01港元之已發行股份合併為1股每股面值0.08港元之合併股份。股份合併於2021年8月18日生效。
- c) 於2021年8月18日（交易時段後），本公司與認購人訂立認購協議，據此，本公司將按每股0.36港元的認購價配發及發行合共5,205,000股認購股份，認購事項之所得款項總額約為1,874,000港元。直至本年報日期，認購事項尚未完成。



## FIVE YEARS FINANCIAL SUMMARY

### 五年財務概要

RESULTS 業績		Year ended 31 May 截至5月31日止年度				
		2021	2020	2019	2018	2017
		2021年	2020年	2019年	2018年	2017年
		RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉
Revenue	收入	22,621	23,012	29,451	38,194	33,595
Gross profit	毛利	5,532	6,682	7,592	8,761	10,423
(Loss)/Profit before taxation	除稅前(虧損)/溢利	(4,177)	(3,966)	(1,905)	(1,909)	606
(Loss) for the year	年內(虧損)	(4,853)	(4,428)	(2,649)	(3,090)	(1,109)

ASSETS AND LIABILITIES 資產及負債		As at 31 May 於5月31日				
		2021	2020	2019	2018	2017
		2021年	2020年	2019年	2018年	2017年
		RM'000	RM'000	RM'000	RM'000	RM'000
		千令吉	千令吉	千令吉	千令吉	千令吉
Total assets	資產總值	42,410	46,187	42,076	47,907	28,632
Total liabilities	負債總額	8,822	10,079	6,642	10,215	10,149
Net assets	淨資產	33,588	36,108	35,434	37,692	18,483
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>					
Total equity	權益總額	33,588	36,108	35,434	37,692	18,483

SK TARGET GROUP LIMITED  
瑞強集團有限公司

2021