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WS-SK TARGET GROUP LIMITED

萬順瑞強集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8427)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 NOVEMBER 2025

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small & mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on the GEM are generally small & mid-sized companies, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on the GEM.

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*This announcement, for which the directors (the “**Directors**”) of WS-SK Target Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 November 2025 (the “**Interim Financial Statements**”) together with the unaudited comparative figures for the corresponding period in 2024 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the six months ended 30 November 2025

		Six months ended	
		30 November	
		2025	2024
	<i>Notes</i>	RM’000	RM’000
		(Unaudited)	(Unaudited)
Continuing operations			
Revenue	4	18,905	15,494
Cost of sales		(13,459)	(11,183)
		<hr/>	<hr/>
Gross profit		5,446	4,311
Other income		471	506
Administrative expenses		(2,710)	(2,516)
Selling and distribution expenses		(1,213)	(899)
Finance costs	5	(104)	(46)
Share of result of an associate		(484)	(3)
		<hr/>	<hr/>
Profit before taxation	6	1,406	1,353
Taxation	7	(617)	(606)
		<hr/>	<hr/>
Profit for the period from continuing operations		789	747
		<hr/>	<hr/>
Discontinued operations			
Loss from discontinued operations		–	(25)
		<hr/>	<hr/>
Profit for the period		789	722
		<hr/> <hr/>	<hr/> <hr/>

	Six months ended	
	30 November	
	2025	2024
<i>Notes</i>	<i>RM'000</i>	<i>RM'000</i>
	(Unaudited)	(Unaudited)
Other comprehensive income items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	<u>(161)</u>	<u>(468)</u>
Total comprehensive income for the period	<u>628</u>	<u>254</u>
Earnings per share		
Basic (<i>RM cents</i>)	8	
— From continuing operations	4.83	4.77
— From discontinued operations	–	(0.16)
— From continuing and discontinued operations	<u>4.83</u>	<u>4.61</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 November 2025

	<i>Notes</i>	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
Non-Current Assets			
Property, plant and equipment		7,796	6,676
Investment property		343	345
Right of use assets		9,273	9,838
Investment in an associate		2,087	2,617
Intangible asset		2,597	2,915
Goodwill		4	4
		22,100	22,395
Total Non-Current Assets			
Current Assets			
Inventories		1,958	1,735
Receivables, deposits and prepayment	10	6,166	8,057
Amount owing from ultimate holding company	11	45	45
Amount owing from a shareholder	11	32	32
Tax recoverable		186	169
Short-term bank deposits	12	18,703	18,676
Cash and bank balances		4,681	4,054
		31,771	32,768
Total Current Assets			
Current Liabilities			
Payables and accrued charges	13	10,101	11,280
Leased liabilities		358	791
Tax payables		12	24
Promissory note		–	–
		10,471	12,095
Net Current Assets			
		21,300	20,673

	30 November	31 May
	2025	2025
<i>Notes</i>	<i>RM'000</i>	<i>RM'000</i>
	(Unaudited)	(Audited)
Total Assets Less Current Liabilities	<u>43,400</u>	<u>43,068</u>
Non-Current Liabilities		
Leased liabilities	618	691
Deferred tax liabilities	108	111
Promissory notes	<u>5,338</u>	<u>5,558</u>
Total Non-Current Liability	<u>6,064</u>	<u>6,360</u>
Net Assets	<u>37,336</u>	<u>36,708</u>
Capital and Reserves		
Share capital	<i>14</i> 7,265	7,265
Reserve	<u>30,071</u>	<u>29,443</u>
Total Equity	<u>37,336</u>	<u>36,708</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 November 2025

	Share capital <i>RM'000</i>	Share premium <i>RM'000</i>	Other reserve <i>RM'000</i>	Translation reserve <i>RM'000</i>	Accumulated losses <i>RM'000</i>	Total <i>RM'000</i>
At 31 May 2024 (audited)	6,028	28,074	8,579	460	(6,843)	36,298
Profit for the period	-	-	-	-	722	722
Exchange differences arising on translation of foreign operations	-	-	-	(468)	-	(468)
Total comprehensive income for the period	-	-	-	(468)	722	254
Issue of subscription shares by newly allotted ordinary shares	1,237	-	-	-	-	1,237
At 30 November 2024 (unaudited)	<u>7,265</u>	<u>28,074</u>	<u>8,579</u>	<u>(8)</u>	<u>(6,121)</u>	<u>37,789</u>
	Share capital <i>RM'000</i>	Share premium <i>RM'000</i>	Other reserve <i>RM'000</i>	Translation reserve <i>RM'000</i>	Accumulated losses <i>RM'000</i>	Total <i>RM'000</i>
At 31 May 2025 (audited)	7,265	28,074	8,579	(449)	(6,761)	36,708
Profit for the period	-	-	-	-	789	789
Exchange differences arising on translation of foreign operations	-	-	-	(161)	-	(161)
Total comprehensive income for the period	-	-	-	(161)	789	628
At 30 November 2025 (unaudited)	<u>7,265</u>	<u>28,074</u>	<u>8,579</u>	<u>(610)</u>	<u>(5,972)</u>	<u>37,336</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 November 2025

	Six months ended	
	30 November	
	2025	2024
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Net Cash Generated From (Used in)		
Operating Activities	3,161	(1,141)
	<hr/>	<hr/>
INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	–	158
Interest received	–	421
Purchase of property, plant and equipment	(1,679)	(2,479)
Increase in pledged short-term bank deposits	(27)	(30)
	<hr/>	<hr/>
Net Cash Used In Investing Activities	(1,706)	(1,930)
	<hr/>	<hr/>
FINANCING ACTIVITIES		
Proceed from issue of shares	–	1,237
Repayment of promissory note	–	(885)
Finance costs paid	(6)	(4)
Capital element on lease rental paid	(379)	(146)
Interest element on lease rental paid	(22)	(4)
	<hr/>	<hr/>
NET CASH (USED IN) GENERATED FROM		
FINANCING ACTIVITIES	(407)	198
	<hr/>	<hr/>
NET INCREASE (DECREASE) IN CASH AND CASH		
EQUIVALENTS	1,048	(2,873)
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT BEGINNING		
OF PERIOD	21,554	27,082
	<hr/>	<hr/>
Effects of exchange differences	(421)	(777)
	<hr/>	<hr/>

	Six months ended	
	30 November	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
	(Unaudited)	(Unaudited)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	22,181	23,432
REPRESENTED BY:		
Current:		
Short-term bank deposits	18,703	19,299
Cash and bank balances	4,681	5,312
	<hr/>	<hr/>
Total	23,384	24,611
Less: Deposits pledged as security	(1,203)	(1,179)
	<hr/>	<hr/>
Cash and cash equivalents	22,181	23,432
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 November 2025

1. GENERAL INFORMATION

WS-SK Target Group Limited (formerly known as SK Target Group Limited) (the “**Company**”) was incorporated in the Cayman Islands with limited liability on 28 October 2016. The addresses of the registered office and principal place of business are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and 18, Jalan LP 2A/2, Taman Lestari Perdana, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia, respectively.

Merchant World Investments Limited (“**Merchant World**”), a limited company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate holding company of the Company. Mr. Loh Swee Keong, is the ultimate controlling party of the Company who wholly owns Merchant World.

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of precast concrete junction boxes, trading of accessories and pipes and provision of mobile crane rental and ancillary services in Malaysia; and e-commerce platform in the People’s Republic of China.

2. BASIS OF PREPARATION AND PRESENTATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 November 2025 (the “**Interim Financial Statements**”) have been prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those adopted in the annual report for the year ended 31 May 2025 (the “**2025 Annual Financial Statements**”) , except for the adoption of the new and revised IFRSs which are effective for the financial year begin on or after 1 June 2025. The adoption of the new and revised IFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared or presented. Accordingly, no prior period adjustment has been required. The Group has not early adopted any new and revised IFRSs that has been issued but not yet effective in the current accounting period. The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the 2025 Annual Financial Statements.

The Interim Financial Statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values. The Interim Financial Statements are presented in Malaysian Ringgit (“**RM**”), which is also the functional currency of the Company. All values are rounded to nearest thousands (RM’000), unless otherwise stated.

3. ESTIMATES

The preparation of Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Interim Financial Statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2025 Annual Financial Statements.

4. REVENUE AND SEGMENTAL INFORMATION

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

- (a) Manufacturing and trading — manufacturing and trading of precast concrete junction boxes; and
- (b) Other building materials and services — trading of accessories and pipes and provision of mobile crane rental and ancillary services.
- (c) E-Commerce platform — sourcing and sales of products online

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

The operations of sourcing services and sale of health supplement products were discontinued in the prior period. The following segment information does not include any amount for the discontinued operations.

Segment revenues and results

Six months ended 30 November 2025 (unaudited)

Continuing operations

	Manufacturing and trading RM'000	Other building materials and services RM'000	E-Commerce platform RM'000	Total RM'000
Revenue				
External sales	17,621	1,214	70	18,905
Inter-segment sales	—	—	—	—
Segment revenue	<u>17,621</u>	<u>1,214</u>	<u>70</u>	<u>18,905</u>
Elimination				<u>—</u>
Group revenue				<u>18,905</u>
Segment result	<u>5,137</u>	<u>250</u>	<u>59</u>	<u>5,446</u>
Administrative expenses				(2,710)
Selling and distribution expenses				(1,213)
Finance costs				(104)
Other income				471
Share of result of an associate				<u>(484)</u>
Profit before taxation				<u><u>1,406</u></u>

Six months ended 30 November 2024 (unaudited)

Continuing operations

	Manufacturing and trading <i>RM'000</i>	Other building materials and services <i>RM'000</i>	Total <i>RM'000</i>
Revenue			
External sales	14,515	979	15,494
Inter-segment sales	—	—	—
	<u>14,515</u>	<u>979</u>	<u>15,494</u>
Segment revenue			
	<u>14,515</u>	<u>979</u>	<u>15,494</u>
Elimination			<u>—</u>
Group revenue			<u>15,494</u>
Segment result	<u>4,208</u>	<u>103</u>	4,311
Administrative expenses			(2,516)
Selling and distribution expenses			(899)
Finance costs			(46)
Other income			506
Share of result of an associate			<u>(3)</u>
Profit before taxation			<u><u>1,353</u></u>

Segment results represents the profit from each segment without allocation of administrative expenses, listing expenses, selling and distribution expenses, finance costs, other income, fair value change of financial assets at fair value through profit or loss and taxation. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

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

5. FINANCE COSTS

	Six months ended 30 November	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
	(Unaudited)	(Unaudited)
Continuing operations		
Interest expense on:		
Commitment fees	5	5
Leased liabilities interest	22	4
Promissory note	77	37
	<u>104</u>	<u>46</u>

6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/(crediting):

	Six months ended 30 November	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
	(Unaudited)	(Unaudited)
Continuing operations		
Auditor remuneration	244	238
Cost of inventories recognised as an expense	8,390	7,338
Staff costs, excluding Directors' remuneration:		
— Salaries, wages and other benefits	2,285	2,032
— Retirement benefit scheme contributions	186	122
	2,471	2,154
Lease payments not included in the measurement of lease liabilities:		
Crane	191	194
Office equipment	6	4
Depreciation on:		
Property, plant and equipment	558	414
Investment property	2	2
Right-of-use assets	448	283
Unrealised (gain) loss on foreign exchange	(763)	(1,208)
Interest income	(348)	(421)

7. TAXATION

	Six months ended 30 November	
	2025	2024
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Continuing operations		
Malaysia corporate income tax:		
Current period	617	606
Deferred tax	—	—
	<u>617</u>	<u>606</u>

Malaysia corporate income tax rate is calculated at the statutory tax rate of 24% for the six months ended 30 November 2025 (six months ended 30 November 2024: 24%) on the estimated assessable profits for each of the assessable period.

Hong Kong Profits Tax is calculated at a rate of 16.5% for the six months ended 30 November 2025 (six months ended 30 November 2024: 16.5%) of the estimated assessable profits for the period, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25%, and the remaining assessable profits are taxed at 16.5%. Such basis had been applied for the calculation of the provision for Hong Kong Profits Tax for this subsidiary for the period ended 30 November 2025.

Hong Kong Profits Tax has not been provided for the period end 30 November 2025 as there is no assessable profits for the period ended 30 November 2025.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the six months ended 30 November 2025 (six months ended 30 November 2024: 25%).

Enterprise Income Tax has not been provided for the period end 30 November 2025 as there is no assessable profits for the period ended 30 November 2025.

8. EARNINGS PER SHARE

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

	Six months ended 30 November	
	2025	2024
	(Unaudited)	(Unaudited)
Continuing operations		
Earnings for the purpose of calculating basic earnings per share:		
profit for the period attributable to the owners of the Company (<i>RM cent per share</i>)	<u>4.83</u>	<u>4.77</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>16,351,632</u>	<u>15,666,591</u>
Discontinued operations		
Loss for the purpose of calculating basic earnings per share: loss for the period attributable to the owners of the Company (<i>RM cent per share</i>)	<u>-</u>	<u>(0.16)</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>16,351,632</u>	<u>15,666,591</u>

No diluted earnings per share information has been presented for the six months ended 30 November 2024 and 2025 as the Company has no potential ordinary shares outstanding during both periods.

9. DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended 30 November 2025 (six months ended 30 November 2024: Nil).

10. RECEIVABLES, DEPOSITS AND PREPAYMENT

	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
Trade receivables	10,565	11,457
Less: Allowance for credit losses	(6,246)	(6,076)
	4,319	5,381
Other receivables and deposits	3,909	3,821
Less: Allowance for credit losses	(2,390)	(1,952)
Prepayments	328	807
	6,166	8,057

The amounts due from trade debtors are unsecured, do not carry any interest and the credit term granted by the Group ranges from 30 to 120 days.

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date.

	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
1–30 days	1,348	2,434
31–60 days	1,035	1,090
61–90 days	728	682
91–120 days	445	195
More than 120 days	763	980
	4,319	5,381

11. AMOUNTS OWING FROM ULTIMATE HOLDING COMPANY AND A SHAREHOLDER

The amount owing from the ultimate holding company is non-trade nature, unsecured, interest free and repayable on demand.

The amount owing from a shareholder is non-trade nature, unsecured, interest free and repayable on demand.

12. SHORT TERM BANK DEPOSITS

Short-term bank deposits of the Group have an average maturity ranging from 1 to 3 months. The average interest rates of deposits of the Group are ranging from 3.65% to 3.80% and ranging from 3.20% to 3.49% per annum as at 31 May 2025 and 30 November 2025 respectively. Included in the short-term bank deposits are amounts totaling RM1,176,000 and RM1,203,000 that have been pledged to secure general banking facilities granted to the Group as at 31 May 2025 and 30 November 2025 respectively.

13. PAYABLES AND ACCRUED CHARGES

	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
Trade payables	4,110	2,876
Accrued charges	3,174	4,051
Other payables	1,196	2,555
Contract liabilities	1,621	1,798
	<u>10,101</u>	<u>11,280</u>

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

	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
1–30 days	1,540	991
31–60 days	1,220	818
61–90 days	1,009	771
91–120 days	339	294
Over 120 days	2	2
	<u>4,110</u>	<u>2,876</u>

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.

14. SHARE CAPITAL

	Number of shares '000	Par value HK\$	Share capital	
			HK\$'000	RM'000
Authorised:				
At 31 May 2025, 1 June 2025 and 30 November 2025	<u>125,000</u>	<u>0.8</u>	<u>100,000</u>	
Issued and fully paid:				
At 31 May 2025, 1 June 2025 and 30 November 2025	<u>16,352</u>	<u>0.8</u>	<u>13,081</u>	<u>7,265</u>

All ordinary shares issued during the period rank pari passu with the then existing ordinary shares in all aspects.

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 announcement.

15. EVENT AFTER REPORTING PERIOD

On 3 December 2025 (after trading hours), the Company entered into the subscription agreement with Mr. Choy Sheung Ki Gary (the “**Subscriber**”). The Company would allot and issue and the Subscriber would subscribe for, an aggregate of 216,000 subscription shares (the “**Subscription Shares**”) at the subscription price of HK\$19.93 each (the “**Subscription Price**”) (the “**Subscription**”). The gross proceeds would be approximately HK\$4,304,880. The net proceeds of the Subscription (after deducting related professional fees and related expenses) were expected to be approximately HK\$4,239,880 and net Subscription Price per Subscription Share will be approximately HK\$19.63. The Company intends to use the net proceeds from the Subscription as general working capital. The Subscription was completed on 11 December 2025. Details of which may refer to the Company’s announcement dated 3 December 2025 and 11 December 2025.

On 28 December 2025, Wanshun Technology Industrial Group Limited (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd.* (深圳萬順叫車雲信息技術有限公司) (the “**Target Company**”) and Gallant Empire Limited (the “**Purchaser**”), a directly wholly-owned by the Company entered into sales and purchase agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor for the total consideration of HK\$34 million, which shall be settled by issuing of promissory note(s). Details of which may refer to the Company’s announcement dated 28 December 2025.

Except for disclosed above, there are no significant events which have taken place subsequent to 30 November 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

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

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

For the six months ended 30 November 2025, the revenue of the Group increased by approximately 22.01%, the increase is mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junction boxes business which was mainly due to more tailor made concrete junction boxes was sold during the period.

The Board always strives to improve Group’s business operations and financial position by proactively seeking potential investment opportunities that would diversify the Group’s existing portfolio and broaden its source of income, and enhance value to the shareholders.

FINANCIAL REVIEW

Revenue

The revenue increased from approximately RM15.5 million for the six months ended 30 November 2025 to approximately RM18.9 million for the six months ended 30 November 2024, representing an increase of approximately 22.01%. Such increase was mainly due to the increase in the revenue of the manufacturing and trading of precast concrete junction boxes business which was mainly due to more tailor made concrete junction boxes was sold during the period.

For the manufacturing and trading of precast concrete junction boxes business, the revenue increased by approximately 21.40%, from approximately RM14.5 million for the period ended 30 November 2024 to approximately RM17.6 million for the period ended 30 November 2025. It represents the demand for precast concrete junction boxes is strong and stable in Malaysia.

For the trading of accessories and pipes and the provision of mobile crane rental and ancillary services business, the revenue increased by approximately 24.00%, from approximately RM979,000 for the period ended 30 November 2024 to approximately RM1.2 million for the period ended 30 November 2025. The increase was mainly leveraged by more tailor made concrete junction boxes was sold during the period.

Following the acquisition of 深圳萬順福智慧生活服務有限公司 in the second half of last year, the Group has stepped into e-commerce platform business and contributed approximately RM70,000 in revenue during the period.

Cost of sales and Gross Profit

Costs of sales mainly consists of (i) cost of raw materials and trading products; (ii) manufacturing overheads; (iii) direct labour and (iv) crane hiring costs. The cost of sales increased from approximately RM11,183,000 for the six months ended 30 November 2024 to approximately RM13,459,000 for the six months ended 30 November 2025, increase of approximately 20.35%. Such change was in line with increase of sales.

The Gross Profit increased from approximately RM4.3 million for the six months ended 30 November 2024 to approximately RM5.4 million for the six months ended 30 November 2025.

Administrative expenses

Administrative expenses of the Group slightly increased by approximately RM194,000 or 7.71% from approximately RM2,516,000 for the six months ended 30 November 2024 to approximately RM2,710,000 for the six months ended 30 November 2025.

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

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately 34.93% from approximately RM899,000 for the six months ended 30 November 2024 to approximately RM1.2 million for the six months ended 30 November 2025.

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

Profit for the period

The Group recorded a net profit of approximately RM789,000 for the six months ended 30 November 2025 due to the management is focussing on precast junction boxes with higher profit margin and ongoing control in expense.

SIGNIFICANT INVESTMENTS HELD

During the six months ended 30 November 2025, the Company did not have any significant investments held.

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

There were no material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 November 2025.

On 28 December 2025, Wanshun Technology Industrial Group Limited (the “**Vendor**”), Shenzhen Wanshun eCar Cloud Tech & Information Co., Ltd.* (深圳萬順叫車雲信息技術有限公司) (the “**Target Company**”) and Gallant Empire Limited (the “**Purchaser**”), a directly wholly-owned by the Company entered into sales and purchase agreement pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell 1% of the registered capital of the Target Company, which is legally and beneficially owned by the Vendor for the total consideration of HK\$34 million, which shall be settled by issuing of promissory note(s). Details of which may refer to the Company’s announcement dated 28 December 2025.

Except for disclosed above, there is no specific future plan for material investments or capital assets as at the date of this announcement.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 November 2025, the Group’s cash and cash equivalents was approximately RM23.4 million (31 May 2025: approximately RM22.7 million).

As at 30 November 2025, the Group’s had no borrowings (31 May 2025: Nil).

As at 30 November 2025, the Group’s current ratio was 3.03 (31 May 2025: 2.71), which is calculated based on the total current assets divided by the total current liabilities. The gearing ratio was nil as at 30 November 2025 (31 May 2025: Nil), which is calculated based on the total interest-bearing loans divided by the total equity.

The Directors consider that the Group’s financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

CAPITAL STRUCTURE

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

As at 30 November 2025, the share capital and equity attributable to owners of equity of the Company amounted to approximately RM7.3 million and approximately RM30.1 million respectively (31 May 2025: RM7.3 million and RM29.4 million respectively).

CAPITAL COMMITMENTS

Capital commitment contracted for at the end of the reporting period but not yet incurred is as follow:

	30 November 2025 RM'000 (Unaudited)	31 May 2025 RM'000 (Audited)
Property, plant and equipment	<u>465</u>	<u>542</u>

Except for disclosed above, the Group had no capital commitments in respect of the acquisition of property, plant and equipment as at 30 November 2025 and 31 May 2025.

CHANGE IN BOARD LOT SIZE

The change in board lots size for trading in the of the ordinary shares in the Company for trading on The Stock Exchange of Hong Kong Limited, from 1,200 ordinary shares to 400 ordinary shares, became effective on 20 August 2025.

Further details of the change in board lot size were set out in the announcement of the Company dated 1 August 2025.

USE OF PROCEEDS FROM THE SHARE OFFER

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

The net proceeds from the Listing have not been fully utilized up to the six months ended 30 November 2025 in accordance with the expected timeline set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

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

The following table sets out the reallocated unutilised proceeds and the utilised amount up to the six months ended 30 November 2025.

	Reallocated unutilised proceeds as at 2 May 2024 HK\$ million	Utilised amount after reallocation up to 31 May 2025 HK\$ million	Unutilised proceeds up to 31 May 2025 HK\$ million	Actual use of net proceeds from 1 June 2025 to 30 November 2025 HK\$ million	Reallocated unutilised proceeds as at 30 November 2025	Expected timeframe for intended use
A. Recruiting new staffs (<i>note b</i>)	0.8	(0.8)	-	-	-	
B. Acquisition of land use right of the Land in Selangor, Malaysia	13.2	(13.2)	-	-	-	
C. Development cost of self-used factory on the Land and purchase of equipment and fixtures	3.4	-	3.4	(0.1)	3.3	Intended to use up the remaining fund by 31 May 2026
	<u>17.4</u>	<u>(14.0)</u>	<u>3.4</u>	<u>(0.1)</u>	<u>3.3</u>	

Notes:

- The unused Listing proceeds have been deposited in licensed banks in Malaysia and Hong Kong.
- The funds have been utilized on recruiting and salaries of staffs for the expansion and renovation works.

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

USE OF PROCEEDS FROM THE SHARE SUBSCRIPTION

On 27 June 2024 (after trading hours), the Company entered into a subscription agreement with the subscriber, pursuant to which the Company would allot and issue an aggregate of 27,252,720 subscription shares (the “**Subscription Shares**”) at the subscription price of HK\$0.08 per share (the “**Share Subscription**”). The net proceeds from the subscription after deducting related professional fees and related expenses approximately HK\$2,100,000 (equivalent to approximately RM1,192,000). The subscription was completed on 17 July 2024. The Subscription Shares were issued and allotted under the General Mandate.

The following table sets out the unutilised net proceeds from share subscription up to the six months ended 30 November 2025.

	Planned use of net proceeds from the Share Subscription <i>HK\$ million</i>	Actual use of net proceeds up to 31 May 2025 <i>HK\$ million</i>	Actual use of net proceeds from 1 June 2025 to 30 November 2025 <i>HK\$ million</i>	Unutilised proceeds as at 30 November 2025 <i>HK\$ million</i>
Repayment of promissory note	2.1	1.5m	–	0.6m

Notes:

1. The remaining funds have been deposited in licensed banks in Malaysia and Hong Kong.
2. The Group intended to use up the remaining fund by 31 May 2026.

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

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

As at 30 November 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Ordinary Shares of the Company

Name of Director/ Chief Executive	Capacity/ Nature of Interest	Number of shares interested	Percentage of the Company's issued share capital as at 30 November 2024
Mr. Loh Swee Keong (Note 2)	Interest in controlled corporation	2,911,200 (L) (Note 1)	17.80%

Notes:

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

Save for disclosed above, as at 30 November 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provision of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

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

As at 30 November 2025, the following persons (other than the Directors or chief executive of the Company) had interests and/or short positions in the shares and underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Ordinary Shares of the Company

Name	Capacity/ Nature of Interest	Number of shares interested	Percentage of the Company's issued share capital as at 30 November 2025
Merchant World Investments Limited	Beneficial owner	2,911,200 (L) <i>(Note 1)</i>	17.80%
Ms. Woon Sow Sum <i>(Note 2)</i>	Interest of spouse	2,911,200 (L)	17.80%
Mr. Lei Meng Fong	Beneficial owner	2,725,272 (L)	16.67%
Greater Elite Holdings Limited	Beneficial owner	1,961,010 (L)	11.99%
Mr. Law Fung Yuen Paul <i>(Note 3)</i>	Interest in controlled corporation	1,961,010 (L)	11.99%
Ms. Cheng Lai Wah Christina <i>(Note 4)</i>	Interest of spouse	1,961,010 (L)	11.99%
Mr. Choy Sheung Ki Gary	Beneficial owner	1,032,300 (L)	6.31%

Notes:

- (1) The letter (L) denotes the person's long interest in the Shares.
- (2) Ms. Woon Sow Sum is the spouse of Mr. Loh Swee Keong and is deemed, or taken to be interested in all Shares in which Mr. Loh Swee Keong has interest under the SFO.
- (3) Greater Elite Holdings Limited is a company incorporated in the BVI and is wholly-owned by Mr. Law Fung Yuen Paul. Mr. Law Fung Yuen Paul is deemed to be interested in all the Shares held by Greater Elite Holdings Limited for the purpose of the SFO.
- (4) Ms. Cheng Lai Wah Christina is the spouse of Mr. Law Fung Yuen Paul and is deemed, or taken to be interested in all Shares in which Mr. Law Fung Yuen Paul has interest under the SFO.

Save for disclosed above, as at 30 November 2025, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

CHARGE ON GROUP'S ASSETS

As at 30 November 2025, the Group had bank deposits pledged with banks totalling approximately RM1.2 million (31 May 2025: approximately RM1.2 million). These deposits were pledged to secure general banking facilities granted to the Group.

FOREIGN CURRENCY RISK

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

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 November 2025 (six months ended 30 November 2024: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 November 2025, we had 75 employees who are located in Malaysia, PRC and the Hong Kong Special Administrative Region. The Group generally recruits employees from the open market by placing recruitment advertisements. The Group entered into individual labour contracts with each of the employees in accordance with the applicable labour laws of Malaysia, PRC and the Hong Kong Special Administrative Region, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package that the Group offers to the employees includes salary, bonuses, allowances and medical benefits. In general, the Group determines an employee's salary based on each employee's qualifications, experience and capability and the prevailing market remuneration rate. The Group has designed and implemented a review system to assess the performance of our employees once a year, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions.

PRINCIPAL RISK AND UNCERTAINTIES

Operational risk

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

- (a) Fluctuation in the prices of our major raw materials may have adverse impacts on the Group's financial results;
- (b) The Group's revenue is mainly derived from the manufacturing and sale of precast concrete junction boxes to its customers for infrastructure upgrades and expansion work for construction projects, which are nonrecurrent in nature and there is no guarantee that the customers will place new business purchase orders; and
- (c) The Group's cash flow position may deteriorate owing to a mismatch between the time of receipt of payments from its customers and payments to its suppliers if the Group is unable to manage its cash flow mismatch properly.

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

Financial risks

As a manufacturer of precast concrete junction boxes, the Group has to purchase raw materials from its suppliers from time to time based on its procurement policy. The Group relies on cash inflow from its customers to meet its payment obligations to our suppliers. The Group's cash inflow is dependent on the prompt settlement of its payments. The Group is exposed to credit risk and liquidity risk.

CONTINGENT LIABILITIES

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

CORPORATE GOVERNANCE PRACTICES

Under the code provision A.2.1 of the Corporate Governance Code (the “**CG Code**”), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established.

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

Save as disclosed above, for the six months ended 30 November 2025, in the opinion of the Directors, the Group has complied with the code provision of the CG Code.

SHARE OPTION SCHEME

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

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

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

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

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

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

An offer for the grant must be accepted not less than five business days from the date on which the Option is granted. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an options is HK\$1.

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

During the six months ended 30 November 2025, other than the share option scheme is set out above, the Company did not enter into the other equity-linked agreement, nor did any other equity-linked agreement exist during the period under review.

As at 30 November 2025, no share option has been granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the six months ended 30 November 2025 and up to the date of this announcement, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the sections headed “Share Option Scheme” and “Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures of the Company and associated corporations”, at no time during the period was the Company, its or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executives (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and all Directors confirmed that they have complied with the required standards of dealings regarding securities transactions by the Directors during the six months ended 30 November 2025 to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities for the six months ended 30 November 2025.

DIRECTOR'S INTEREST OF COMPETING BUSINESS

During the six months ended 30 November 2025, the Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business or any other conflicts of interest which any such person has or may have with the Group.

AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The duties of the Audit Committee are to primarily review the financial statements of the Company and oversee the internal control and risk management procedures of the Company.

The Audit Committee currently consists of three members namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying. The chairman of the Audit Committee is Mr. Yau Ka Hei.

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 November 2025 and is of the opinion that such statements complied with applicable standards, the GEM Listing Rules and that adequate disclosure had been made.

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

Hong Kong, 14 January 2026

As at the date of this announcement, the Board comprises one Executive Director, namely, Mr. Loh Swee Keong; and three Independent Non-executive Directors, namely, Mr. Yau Ka Hei, Mr. Ma, She Shing Albert and Ms. Yau Ka Ying.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkexnews.hk for at least 7 days from the date of its posting and on the website of the Company at www.sktargetgroup.com.