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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your Shares in SK Target Group Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker, registered dealer in securities or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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# SK TARGET GROUP LIMITED

## 瑞強集團有限公司

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

**(Stock Code: 8427)**

### PROPOSALS FOR

**(1) ADOPTION OF AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS AND REPORTS OF  
DIRECTORS AND AUDITORS,  
(2) RE-ELECTION OF RETIRING DIRECTORS,  
(3) RE-APPOINTMENT OF AUDITORS,  
(4) GENERAL MANDATES TO ISSUE SHARES,  
REPURCHASE SHARES AND EXTENSION MANDATE  
AND  
NOTICE OF 2021 ANNUAL GENERAL MEETING**

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This circular, for which the directors of the Company (the “Directors”) 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 “Stock Exchange”) 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 circular 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 circular misleading.

A notice convening the 2021 annual general meeting of the Company (“2021 AGM”) to be held at 3:00 p.m. on Wednesday, 24 November 2021 at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong is set out on pages 20 to 24 of this circular. A form of proxy for use by the shareholders at the 2021 AGM is enclosed.

Whether or not you are able to attend the 2021 AGM, you are advised to read this circular and to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54 Hopewell Centre, 183 Queen’s Road East, Hong Kong or via the designated URL (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not later than 48 hours before the time appointed for holding the 2021 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2021 AGM or any adjournment thereof should you so wish.

#### PRECAUTIONARY MEASURES FOR THE 2021 AGM

Please see page 24 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the 2021 AGM, including:

- compulsory body temperature checks and health declarations
- recommended wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

This circular, together with a form of proxy, will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least 7 days from the date of its publication and on the Company’s website at [www.targetprecast.com](http://www.targetprecast.com).

31 August 2021

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## CHARACTERISTICS OF GEM

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of the GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on the GEM.

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context otherwise requires:*

“2021 Annual Report”	the annual report of the Company for the financial year ended 31 May 2021 despatched to the Shareholders together with this circular
“2021 AGM”	the annual general meeting of the Company to be held at 3:00 p.m. on Wednesday, 24 November 2021 at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong for the purpose of considering and if thought fit, approving, inter alia, the resolutions proposed in this circular
“Articles”	the articles of association of the Company as amended, supplemented or modified from time to time
“Auditors”	the Auditors of the Company
“Board”	the Board of Directors
“Cayman Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“close associate(s)”	has the meaning as defined in the GEM Listing Rules
“Company”	SK Target Group Limited 瑞強集團有限公司, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (stock code 8427)
“Controlling shareholder(s)”	has the meaning as defined in the GEM Listing Rules
“core connected person(s)”	has the meaning as defined in the GEM Listing Rules
“Director(s)”	the director(s) of the Company

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## DEFINITIONS

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“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“General Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with new Shares with the aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the 2020 AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region
“Independent Third Party(ies)”	third party(ies) who is/are independent of the Company and its core connected persons
“Latest Practicable Date”	27 August 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“PRC”	the People’s Republic of China, which shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase the Shares of the aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the 2021 AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

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## DEFINITIONS

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“Share(s)”	the ordinary share(s) of HK\$0.08 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Subscriber”	Mr. Cheng Chek Kay, being an Independent Third Party to the Company
Subscription”	the conditional subscription of the Subscription Shares by the Subscriber pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	conditional agreement dated 18 August 2021 entered into between the Company and the Subscriber in relation to the issue of the Subscription Shares to the Subscriber by the Company
“Subscription Price”	the subscription price of HK\$0.36 per Subscription Share
“Subscription Shares”	an aggregate of 5,205,000 new Shares to be issued by the Company to the Subscriber on the terms set out in the Subscription Agreement
“Takeover Code”	The Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong as amended from time to time
“%”	per cent

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LETTER FROM THE BOARD

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**SK TARGET GROUP LIMITED**

**瑞強集團有限公司**

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

**(Stock Code: 8427)**

*Executive Director*

Mr. Loh Swee Keong

*Independent Non-executive Directors*

Mr. Yau Ka Hei

Mr. Ma, She Shing Albert

Mr. Chu Kin Ming

*Registered Office in the*

*Cayman Islands*

Clifton House, 75 Fort Street

P O Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Headquarter and principal*

*place of business in Malaysia*

18, Jalan LP 2A/2

Taman Lestari Perdana

43300 Seri Kembangan

Selangor, Darul Ehsan

Malaysia

*Principal place of*

*business in Hong Kong*

Room 1406-08,

14/F., Austin Tower

22-26 Austin Avenue,

Tsimshatsui,

Kowloon,

Hong Kong

31 August 2021

To the Shareholders,

Dear Sirs or Madams

**PROPOSALS FOR**  
**(1) ADOPTION OF AUDITED CONSOLIDATED**  
**FINANCIAL STATEMENTS AND REPORTS OF**  
**DIRECTORS AND AUDITORS,**  
**(2) RE-ELECTION OF RETIRING DIRECTORS,**  
**(3) RE-APPOINTMENT OF AUDITORS,**  
**(4) GENERAL MANDATES TO ISSUE SHARES,**  
**REPURCHASE SHARES AND EXTENSION MANDATE**  
**AND**  
**NOTICE OF 2021 ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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### INTRODUCTION

The purpose of this circular is to give you notice of the 2021 AGM and to provide you with details of the resolutions to be proposed at the 2021 AGM relating to:

- (a) the adoption of audited consolidated financial statements and the reports of the Directors and the Auditors;
- (b) the proposed re-election of the retiring Directors;
- (c) the proposed re-appointment of the Auditors;
- (d) the granting of the General Mandate to the Directors;
- (e) the granting of the Repurchase Mandate to the Directors; and
- (f) the granting of the Extension Mandate to the Directors.

### **RESOLUTION (1) ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS FOR THE YEAR ENDED 31 MAY 2021**

The audited consolidated financial statements of the Company for the year ended 31 May 2021 together with the Reports of the Directors and the Auditors, are set out in the 2021 Annual Report which will be sent to the Shareholders on 31 August 2021. The 2021 Annual Report may then be viewed and downloaded from the Company's website ([www.targetprecast.com](http://www.targetprecast.com)) and the Hong Kong Exchanges and Clearing Limited's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The audited consolidated financial statements have been reviewed by the Audit Committee of the Company.

### **RESOLUTION (2) RE-ELECTION OF RETIRING DIRECTORS**

The Board currently consists of one Executive Director, namely Mr. Loh Swee Keong (Chairman and Chief Executive Officer), and three Independent Non-executive Directors namely Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Ma, She Shing Albert.

Pursuant to article 108 (a) of the Articles, at each annual general meeting one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation.



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## LETTER FROM THE BOARD

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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.

The biographical details of abovementioned Directors proposed to be re-elected at the 2021 AGM are set out in Appendix II to this circular.

The re-election of Directors has been reviewed by the Nomination Committee of the Company which recommended to the Board that the re-election be proposed for Shareholders' approval at the 2021 AGM. The nominations were made in accordance with the Nomination Policy of the Company and the objective criteria for the nominations include but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, with due regard for the benefits of diversity as set out under the Board Diversity Policy of the Company.

In recommending Mr. Loh Swee Keong (“**Mr. Loh**”) and Mr. Ma She Shing Albert (“**Mr. Ma**”) to stand for re-election as Independent Non-executive Directors, the Nomination Committee has considered the following background and attributes of the nominees concerned:

- (a) Mr. Loh is the founder of the Group. He has over 20 years of work experience in the precast concrete junction box industry.
- (b) Mr. Ma graduated from the Pomona College, California, USA with a Bachelor of Arts Degree in 1983. He possesses intensive experience in corporate banking and private banking in major USA and European financial institutions.

The Nomination Committee considered that in view of their professional knowledge and experience in internal control, accounting and company secretarial fields as mentioned above and as set out in Appendix II to this circular, Mr. Loh and Mr. Ma will bring valuable perspectives, knowledge, skills and experience to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company's business.

The Nomination Committee has also assessed the independence of all the Independent Non-executive Directors (“**INEDs**”). All the INEDs of the Company satisfy the Independence Guidelines set out in Rule 5.09 of the GEM Listing Rules and have provided to the Company an annual written confirmation of his independence.

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## LETTER FROM THE BOARD

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### **RESOLUTION (3) RE-APPOINTMENT OF AUDITORS**

The Board (which agreed with the view of the Audit Committee of the Company) recommended that, subject to the approval of the Shareholders at the 2021 AGM, Crowe (HK) CPA Limited be re-appointed as the external Auditors of the Company for 2021.

### **RESOLUTION (4) GENERAL MANDATE**

The Company's existing mandate to issue Shares was approved by its then Shareholders on 25 November 2020. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the 2021 AGM. At the 2021 AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the total number of issued shares of the Company as at the date of the passing of the relevant resolution.

The General Mandate allows the Company to allot, issue and otherwise deal with Shares only during the period ending on the earliest of (i) the conclusion of the 2022 annual general meeting of the Company; (ii) the date by which the 2022 annual general meeting of the Company is required to be held by the Articles of Association or the laws of the Cayman Islands; and (iii) the date upon which such mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "**Relevant Period**").

As at the Latest Practicable Date, a total of 98,025,000 shares were in issue. Subject to the passing of the proposed resolution granting the General Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the 2021 AGM, the Company will be allowed under the General Mandate to issue a maximum of 19,605,000 shares. Subject to fulfilment of the conditions of the Subscription, 5,205,000 Subscription Shares will be allotted and issued between the Latest Practicable Date and the date of the passing of the relevant resolutions at the AGM, and assuming there are no other new Shares are issued and no Shares are repurchased during such period, the total Shares in issue would be 103,230,000. The Company would be allowed under the Issue Mandate to issue a maximum of 20,646,000 Shares.

### **RESOLUTION (5) REPURCHASE MANDATE**

The Company's existing mandate to repurchase Shares was approved by its then Shareholders on 25 November 2020. Unless otherwise renewed, the existing mandate to repurchase Shares will lapse at the conclusion of the 2021 AGM.

At the 2021 AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to repurchase Shares of not exceeding 10% of the total number of issued shares of the Company as at the date of the passing of the relevant resolution. The Repurchase Mandate allows the Company to make purchases only during the Relevant Period.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the existing repurchase mandate has not been utilised and will lapse at the conclusion of the 2021 AGM. Therefore, an ordinary resolution will be proposed at the 2021 AGM that the Directors be granted a general mandate to exercise all the powers of the Company to purchase or repurchase Shares with the aggregate nominal value not exceeding 10% of the aggregate nominal value of the issued share capital of the Company on the date of passing the relevant resolution.

The Company had in issue an aggregate of 98,025,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the General Mandate and the Repurchase Mandate and in accordance with the terms therein, the Company would be allowed and to repurchase a maximum of 9,802,500 Shares respectively, on the basis that no further Shares will be issued or repurchased by the Company between the Latest Practicable Date to the date of the 2021 AGM. Subject to fulfilment of the conditions of the Subscription, 5,205,000 Subscription Shares will be allotted and issued between the Latest Practicable Date and the date of the passing of the relevant resolutions at the AGM, and assuming there are no other new Shares are issued and no Shares are repurchased during such period, the total Shares in issue would be 103,230,000. The Company would be allowed and to repurchased a maximum of 10,323,000 Shares.

An explanatory statement giving the particulars required under Rule 13.08 of the GEM Listing Rules in respect of the Repurchase Mandate to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution is set out in Appendix I to this circular.

### **RESOLUTION (6) EXTENSION MANDATE**

In addition, subject to the passing of the resolutions to grant the General Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2021 AGM to authorize the Directors to extend the General Mandate to allot and issue Shares by an amount of Shares representing the aggregate nominal value of Shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution for approving the Repurchase Mandate.

The General Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the 2022 annual general meeting of the Company; or (b) the expiration of the period within which the 2022 annual general meeting of the Company is required by the Articles, the Cayman Companies Law or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the 2022 annual general meeting of the Company.

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## LETTER FROM THE BOARD

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### 2021 ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice convening the 2021 AGM to be held at 3:00 p.m. on Wednesday, 24 November 2021 at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong is set out on pages 20 to 24 of this circular. At the 2021 AGM, ordinary resolutions will be proposed to approve, among other matters, the granting of the General Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of retiring Directors and the re-appointment of Auditors.

A form of proxy for use in connection with the 2021 AGM is enclosed herewith. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or via the designated URL (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the 2021 AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2021 AGM (or any adjourned meeting thereof) should you so wish.

### VOTING AT THE 2021 ANNUAL GENERAL MEETING

Pursuant to Rule 17.47 (4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, approved at the 2021 AGM will be voted by way of a poll by the Shareholders. An announcement on the poll results of the 2021 AGM will be made by the Company after the 2021 AGM, in the manner prescribed under Rule 17.47 (5) of the GEM Listing Rules.

### RECOMMENDATION

At the 2021 AGM, ordinary resolutions will be proposed to approve, among other matters, the granting of the General Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of retiring Directors and the reappointment of Auditors.

The Directors believe that the proposed grant of the General Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors and the reappointment of the Auditors are in the best interests of the Company and the Shareholders. The Directors believe that an exercise of the General Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company. The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an

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## LETTER FROM THE BOARD

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enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that such repurchase of Shares will benefit the Company and the Shareholders. An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and/or gearing position of the Company. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital requirements or the gearing levels of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of all resolutions to be proposed at the 2021 AGM.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company for the 2021 AGM will be closed from Friday, 19 November to Wednesday, 24 November 2021, both days inclusive, during which no transfer of Shares will be registered. In order to qualify for attending and voting at the 2021 AGM or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 18 November 2021.

### **RESPONSIBILITY OF DIRECTORS**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### **GENERAL INFORMATION**

Your attention is also drawn to the additional information set out in the appendices to this circular.

### **LANGUAGE**

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
By order of the Board  
**SK Target Group Limited**  
**Loh Swee Keong**  
*Chairman and Executive Director*

This appendix serves as an explanatory statement, as required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate.

### **1.     GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

### **2.     SHARE CAPITAL**

As at the Latest Practicable Date, a total of 98,025,000 Shares were in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the 2021 AGM, exercise in full of the Repurchase Mandate, on the basis of 98,025,000 Shares in issue as at the Latest Practicable Date, could result in up to a maximum of 9,802,500 Shares being repurchased by the Company. Subject to fulfilment of the conditions of the Subscription, 5,205,000 Subscription Shares will be allotted and issued between the Latest Practicable Date and the date of the passing of the relevant resolutions at the AGM, and assuming there are no other new Shares are issued and no Shares are repurchased during such period, the total Shares in issue would be 103,230,000. The Company would be allowed and to repurchased a maximum of 10,323,000 Shares.

### **3.     REASONS FOR REPURCHASE**

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or the earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The number of Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

**4.      SOURCE OF FUNDS**

The Company is empowered by the Articles to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles, the Cayman Companies Law, the GEM Listing Rules and/or other applicable laws, rules and regulations, as the case may be.

Any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if authorized by the Articles and subject to the Cayman Companies Law and/or other applicable laws, rules and regulations, out of capital. The premium, if any, payable on repurchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased or, if authorized by the Articles and subject to Cayman Companies Law and/or other applicable laws, rules and regulations, out of capital. The Shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced.

The Company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or settlement otherwise than in accordance with the trading rules of the Stock Exchange.

**5.      IMPACT ON WORKING CAPITAL OR GEARING POSITION**

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 May 2021. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

**6.      DISCLOSURE OF INTERESTS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any of their Shares to the Company or its subsidiaries pursuant to the Repurchase Mandate.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any of his/her/its Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company, in the event that the Company is authorized to make repurchases of the Shares.



## 7. THE TAKEOVER CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase may be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued share capital of the Company. Their respective interest as at the Latest Practicable Date is shown under the column "Approximate % of the issued share capital before a possible exercise of the Repurchase Mandate" while the respective interest in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolutions in relation to the Repurchase Mandate to be proposed at the 2021 AGM (and assuming that the issued share capital remains unchanged up to the date of the 2021 AGM) is shown under the column "Approximate % of the issued share capital should the Repurchase Mandate be exercised in full":

Name of Shareholder	Nature of Interest	Number of Shares held	Before the issuance of Subscription Shares		Upon the completion of the Subscription	
			Approximate % of the issued share capital before a possible exercise of the Repurchase Mandate	Approximate % of the issued share capital should the Repurchase Mandate be issued in full	Approximate % of the issued share capital before a possible exercise of the Repurchase Mandate	Approximate % of the issued share capital should the Repurchase Mandate be issued in full
Merchant World Investments Limited ("Merchant World")	Beneficial Owner	29,827,500 ordinary Shares (L)	30.43%	33.81%	28.89%	32.10%
Mr. Loh Swee Keong ("Mr. Loh") (Note 2)	Interest in controlled corporation	29,827,500 ordinary Shares (L)	30.43%	33.81%	28.89%	32.10%



Name of Shareholder	Nature of Interest	Number of Shares held	Before the issuance of Subscription Shares		Upon the completion of the Subscription	
			Approximate % of the issued share capital before a possible exercise of the Repurchase Mandate	Approximate % of the issued share capital should the Repurchase Mandate be issued in full	Approximate % of the issued share capital before a possible exercise of the Repurchase Mandate	Approximate % of the issued share capital should the Repurchase Mandate be issued in full
Ms. Woon Sow Sum ("Ms. Woon") (Note 3)	Interest of spouse	29,827,500 ordinary Shares (L)	30.43%	33.81%	28.89%	32.10%
Greater Elite Holdings Limited ("Greater Elite")	Beneficial Owner	13,622,500 ordinary Shares (L)	13.90%	17.42%	13.20%	14.66%
Mr. Law Fung Yuen, Paul ("Mr. Law") (Note 4)	Interest in controlled corporation	13,622,500 ordinary Shares (L)	13.90%	17.42%	13.20%	14.66%
Ms. Cheng Lai Wah, Christina ("Ms. Cheng") (Note 5)	Interest of spouse	13,622,500 ordinary Shares (L)	13.90%	17.42%	13.20%	14.66%

The above are calculated based on 98,025,000 Shares in issue and 103,230,000 Shares would be in issue upon the completion of the Subscription respectively as at the Latest Practicable Date.

*Notes:*

- (1) The letter (L) denotes the person's long interest in the Company's Shares.
- (2) Merchant World is a company incorporated in the BVI and is wholly-owned by Mr. Loh. Mr. Loh is deemed to be interested in all the Shares held by Merchant World for the purpose of the SFO.
- (3) Ms. Woon is the spouse of Mr. Loh and is deemed, or taken to be interested in all Shares in which Mr. Loh has interest under the SFO.
- (4) Greater Elite is a company incorporated in the BVI and is wholly-owned by Mr. Law. Mr. Law is deemed to be interested in all the Shares held by Greater Elite for the purpose of the SFO.
- (5) Ms. Cheng is the spouse of Mr. Law and is deemed, or taken to be interested in all the Shares in which Mr. Law has under the SFO.

In the event that the Directors exercise the Repurchase Mandate in full, the interest of the abovenamed persons would be increased as shown in the table above.

On the basis of the shareholding held by the persons named above, an exercise of the Repurchase Mandate in full will result in Merchant World, Mr. Loh and Ms. Woo becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. However, the Directors do not intend to exercise the power to Repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

**8.      SHARE PRICES**

The highest and lowest prices at which the Shares have traded on the GEM of each of the previous twelve months preceding and up to the Latest Practicable Date were as follows:

	<b>Price Per Share</b>	
	<b>Highest</b> <i>(HK\$)</i>	<b>Lowest</b> <i>(HK\$)</i>
<b>2020</b>		
August	0.720*	0.560*
September	0.632*	0.496*
October	0.568*	0.488*
November	0.496*	0.376*
December	0.520*	0.384*
<b>2021</b>		
January	0.800*	0.400*
February	0.640*	0.464*
March	1.160*	0.480*
April	1.128*	0.344*
May	1.248*	0.376*
June	1.000*	0.440*
July	0.840*	0.440*
August	0.624	0.384

\* The share prices at which the Shares have traded on GEM have been adjusted due to the share consolidation of every eight (8) issued and unissued shares of HK\$0.01 each into one share of HK\$0.08 each, which became effective from 18 August 2021.

**9.      SHARE REPURCHASES MADE BY THE COMPANY**

No repurchase of Shares had been made by the Company during the 6 months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

**10.     DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the Articles and all applicable laws of the Cayman Islands.

Set out below are the biographical details of the Directors who will retire at the conclusion of the 2021 AGM and will be proposed to be re-elected at the 2021 AGM.

**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. Ma, She Shing Albert, 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.

**GENERAL**

Save as disclosed above, none of the above Directors:

- (i) held any other positions in any members of the Group as at the Latest Practicable Date;
- (ii) had any other relationship with any Directors, senior management or substantial Shareholders or Controlling Shareholders of the Company as at the Latest Practicable Date;
- (iii) held any other directorships in listed public companies in the three years prior to the Latest Practicable Date; and
- (iv) had any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information in relation to the above Directors that needs to be disclosed pursuant to any of the requirements under Rules 17.50 (2)(h) to 17.50 (2)(v) of the GEM Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders pursuant to Rule 17.50 (2)(w) of the GEM Listing Rules.

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## NOTICE OF 2021 ANNUAL GENERAL MEETING

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# SK TARGET GROUP LIMITED 瑞強集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8427)

## NOTICE OF 2021 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2021 annual general meeting of SK Target Group Limited 瑞強集團有限公司 (the “**Company**”) will be held at 3:00 p.m. on Wednesday, 24 November 2021 at Room 1406-08, 14/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong for the following purposes:

1. to receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (“**Directors**”) and the auditors of the Company (“**Auditors**”) for the year ended 31 May 2021;
2. to consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. Loh Swee Keong as Executive Director.
  - (b) to re-elect Mr. Ma She Shing Albert as Independent Non-executive Director.
  - (c) to authorize the Board of Directors to fix the Directors’ remuneration;
3. to re-appoint Crowe (HK) CPA Limited as the Auditors of the Company and to authorize the Board of Directors to fix their remuneration;
4. “**THAT:**
  - (a) subject to the following provisions of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.08 each in the share capital of the Company (the “**Shares**”), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

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## NOTICE OF 2021 ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) of this resolution shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (“**Articles**”), shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the 2022 annual general meeting of the Company;
  - (ii) the expiration of the period within which the 2022 annual general meeting of the Company is required by the Articles or any applicable law of Cayman Islands to be held; or
  - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company (“**Shareholders**”) in general meeting.

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## NOTICE OF 2021 ANNUAL GENERAL MEETING

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“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors of the Company to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the 2022 annual general meeting of the Company;
  - (ii) the expiration of the period within which the 2022 annual general meeting of the Company is required by the Articles or any applicable law of Cayman Islands to be held; or
  - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”



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## NOTICE OF 2021 ANNUAL GENERAL MEETING

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6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution.”

By order of the Board  
**SK Target Group Limited**  
**Loh Swee Keong**  
*Chairman and Executive Director*

Hong Kong, 31 August 2021

*Notes:*

1. For the purpose of determining the identity of the Shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Friday, 19 November 2021 to Wednesday, 24 November 2021, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 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.
2. Any member of the Company entitled to attend and vote at the meeting convened by this notice shall be entitled to appoint a proxy to attend and vote in his/her stead in accordance with the Articles of Association of the Company. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the meeting. A proxy need not be a member of the Company but must be present in person to represent the member.
3. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited or via the designated URL (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjournment thereof should they so wish.
4. With respect to resolution no. 2 of this notice, Mr. Loh Swee Keong and Mr. Ma She Shing Albert will retire and, being eligible, offer themselves for re-election at the meeting pursuant to article 108 (a) of the Company’s Articles. Details of the retiring Directors which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated 31 August 2021.
5. As at the date of this notice, the Board comprises (i) one Executive Director, namely Mr. Loh Swee Keong, (ii) three Independent Non-executive Directors, namely Mr. Yau Ka Hei, Mr. Chu Kin Ming and Mr. Ma, She Shing Albert.

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## NOTICE OF 2021 ANNUAL GENERAL MEETING

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The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the 2021 AGM to protect attending shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our registered office or to our email at [enquiry@targetprecast.com](mailto:enquiry@targetprecast.com). If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office as follows:

Tricor Investor Services Limited  
Level 54, Hopewell Centre 183 Queen's Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
HK Tel: (852) 2980 1333  
Fax: (852) 2810 8185