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SEM Holdings Limited
澳達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9929)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “Board”) of directors (the “Directors”) of SEM Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 (the “Period 2025”) together with comparative figures for the corresponding six months ended 30 June 2024 (the “Period 2024”), as follows:

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

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	4	21,545	50,889
Cost of sales		(17,761)	(48,884)
Gross profit		3,784	2,005
Other income	5	868	1,033
Reversals of impairment losses under expected credit loss (“ECL”) model, net		6,528	160
Administrative expenses		(10,551)	(10,535)
Finance costs		(94)	(129)
Profit (loss) before taxation	6	535	(7,466)
Income tax expenses (credit)	7	(315)	28
Profit (loss) and total comprehensive income (expense) for the period attributable to owner of the Company		220	(7,438)
Earnings (loss) per share (<i>HK\$ cents</i>)			
Basic	9	0.01	(0.37)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	28,636	29,598
Rental deposit	11	–	11
		<u>28,636</u>	<u>29,609</u>
Current assets			
Trade and other receivables	11	25,151	63,608
Contract assets	12	81,386	92,257
Time deposits		34,000	16,000
Cash and cash equivalents		<u>75,743</u>	<u>56,126</u>
		<u>216,280</u>	<u>227,991</u>
Current liabilities			
Trade payables	13	4,715	6,757
Other payables		19,531	22,085
Contract liabilities	12	776	8,204
Lease liabilities		369	430
Tax payable		1,022	1,469
Bank borrowing	14	<u>792</u>	<u>781</u>
		<u>27,205</u>	<u>39,726</u>
Net current assets		<u>189,075</u>	<u>188,265</u>
Total assets less current liabilities		<u>217,711</u>	<u>217,874</u>
Non-current liabilities			
Deferred tax liability		45	44
Lease liabilities		322	308
Other payables		5	5
Bank borrowing	14	<u>4,175</u>	<u>4,573</u>
		<u>4,547</u>	<u>4,930</u>
		<u>213,164</u>	<u>212,944</u>
Capital and reserves			
Share capital	15	20,000	20,000
Reserves		<u>193,164</u>	<u>192,944</u>
		<u>213,164</u>	<u>212,944</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL

SEM Holdings Limited (the “Company”) was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Act, Chapter 22 (as revised) of the Cayman Islands on 6 November 2015 and its shares were listed on the Main Board of The Stock Exchange Hong Kong Limited (the “Stock Exchange”) on 14 February 2020 (the “Listing”). The immediate holding company of the Company is SEM Enterprises Limited, which is incorporated in the British Virgin Islands and controlled by Mr. Wan Man Keung, an executive director of the Company.

The Company acts as an investment holding company and its subsidiaries are principally engaged in trading of electrical cables and the provision of electrical and mechanical engineering services in Macao Special Administrative Region of the People’s Republic of China (“Macao”) and Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”).

The unaudited condensed consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), whereas the functional currency of the Company is Macau Pataca (“MOP”).

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

3. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of HKFRS Accounting Standards issued by the HKICPA set as below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2024.

Application of the amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of these amendments to HKFRS Accounting Standards in the current period has had no material impact on the Group's financial positions and performances for the current and prior periods and/or the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from trading of electrical cables and the provision of electrical and mechanical engineering services by the Group to external customers. For trading of electrical cables, revenue is recognised at a point in time when control of the goods has been transferred, being when the goods have been delivered to the customer's specific location. Following the delivery, the customer bears the risks of obsolescence and loss in relation to the goods. For the provision of electrical and mechanical engineering services, revenue is recognised over time as the Group's contract work enhances an asset that the external customer control as the Group performed. The Group's revenue is derived from trading of electrical cables and provision of electrical and mechanical engineering services in Macau and Hong Kong during the reporting period.

Disaggregation of revenue

Disaggregation of revenue from contract with customers

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Provision of electrical and mechanical engineering services		
– Hotels and casinos	11,674	5,502
– Residential properties	3,532	2,069
– Commercial properties	606	3,348
– Public properties	2,633	39,903
– Others	664	67
	<u>19,109</u>	<u>50,889</u>
Trading of electrical cables	<u>2,436</u>	<u>–</u>
	<u><u>21,545</u></u>	<u><u>50,889</u></u>

The directors of the Company, being the chief operating decision makers, regularly review the internal management reports. The directors of the Company considered that the operating activities of trading of electrical cables and the provision of electrical and mechanical engineering services as a single operating segment and has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRS Accounting Standards and is regularly reviewed by the directors of the Company. The directors of the Company review the overall results, assets and liabilities of the Group as a whole to make decisions about resources allocation. Accordingly, no analysis of this single operating segment is presented.

Geographical information

The Group's operations are located in Macau and Hong Kong.

The Group's revenue from external customers and information about its non-current assets by geographical location of the customers and the assets, respectively, are detailed below:

	Revenue from external customers		Non-current assets	
	Six months ended 30 June		At	
	2025	2024	30 June	31 December
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(audited)
Macau	15,822	7,376	27,670	28,107
Hong Kong	5,723	43,513	966	1,502
	<u>21,545</u>	<u>50,889</u>	<u>28,636</u>	<u>29,609</u>

5. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Other income		
Interest income	601	624
Government grants (<i>Note</i>)	227	–
Others	40	409
	<u>868</u>	<u>1,033</u>

Note: There are no unfulfilled conditions or other contingencies attaching to these grants.

6. PROFIT (LOSS) BEFORE TAXATION

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit (loss) before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	1,249	1,339
Reversals of impairment loss under ECL model, net	<u>(6,528)</u>	<u>(160)</u>

7. INCOME TAX EXPENSES (CREDIT)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Macau Complementary Tax		
Current tax	316	–
Deferred taxation	(2)	(1)
Hong Kong Profits Tax		
Current tax	–	–
Deferred taxation	<u>1</u>	<u>(27)</u>
	<u>315</u>	<u>(28)</u>

For the six months ended 30 June 2025, Macau Complementary Tax is calculated at 12% (for the six months ended 30 June 2024: 12%) of the estimated assessable profits exceeding MOP600,000 for the periods.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision for taxation in Macau has been made as the subsidiary in Macau did not have any assessable profits for the Period 2024.

No provision for Hong Kong Profits Tax has been made as the subsidiary in Hong Kong did not have any assessable profits for the Period 2025 and the Period 2024.

8. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the six months period ended 30 June 2025 (six months ended 30 June 2024: nil), nor has any dividend been proposed since the end of the reporting period.

9. EARNINGS (LOSS) PER SHARE

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

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Earnings (loss)		
Earnings (loss) for the period	<u>220</u>	<u>(7,438)</u>
	Six months ended 30 June	
	2025	2024
	'000	'000
Number of shares		
Number of ordinary shares	<u>2,000,000</u>	<u>2,000,000</u>

No diluted earnings (loss) per share for both periods are presented as there are no potential ordinary shares in issue during both periods.

10. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment with an aggregate amount of HK\$286,000 (six months ended 30 June 2024: HK\$809,000). As at 30 June 2025, the Group has pledged owned property with carrying amount of HK\$14,908,000 (31 December 2024: HK\$15,066,000) to secure the bank borrowing.

11. TRADE AND OTHER RECEIVABLES

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Trade receivables	26,570	71,224
Less: Allowance for credit losses	(4,252)	(8,824)
	<u>22,318</u>	<u>62,400</u>
Deposits, prepayments and other receivables	2,833	1,219
	<u>25,151</u>	<u>63,619</u>
Presented as:		
Non-current	–	11
Current	<u>25,151</u>	<u>63,608</u>
	<u>25,151</u>	<u>63,619</u>

The Group usually allows a credit period of 30 to 60 days to its customers. The following is an ageing analysis of trade receivables net of allowance for credit losses, based on the invoice dates, at the end of the reporting period:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 30 days	12,765	48,127
31–60 days	2,205	2,533
61–90 days	47	117
Over 90 days	<u>7,301</u>	<u>11,623</u>
	<u>22,318</u>	<u>62,400</u>

During the Period 2025, the Group has reversed expected credit loss amounting to HK\$5,697,000 (the Period 2024: HK\$159,200) for trade receivables and contract assets in respect of a suspended construction project in Macau.

12. CONTRACT ASSETS AND CONTRACT LIABILITIES

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Contract assets from provision of electrical and mechanical engineering services		
– Unbilled revenue	77,435	73,576
– Retention money	19,729	36,414
	<u>97,164</u>	<u>109,990</u>
Less: Allowance for credit losses	<u>(15,778)</u>	<u>(17,733)</u>
	<u><u>81,386</u></u>	<u><u>92,257</u></u>
Contract liabilities		
Provision of electrical and mechanical engineering services	<u>776</u>	<u>8,204</u>

13. TRADE PAYABLES

The credit period of trade payables is ranging from 30 to 90 days. The following is an ageing analysis of the trade payables based on the invoice date at the end of the reporting period:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 30 days	553	267
31–60 days	–	247
61–90 days	–	179
Over 90 days	<u>4,162</u>	<u>6,064</u>
	<u><u>4,715</u></u>	<u><u>6,757</u></u>

14. BANK BORROWING

The loan carried interest at variable market rate of Prime Rate less 2.55% per annum and was repayable in instalments over 10 years from the date of drawdown in 2021. The proceed was used to finance the acquisition of owned property with carrying amount of HK\$14,908,000 at 30 June 2025 (31 December 2024: HK\$15,066,000) included in the property, plant and equipment, which was pledged to a bank to secure the bank loan.

15. SHARE CAPITAL

	Number of shares	Share Capital HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised		
At 1 January 2024, 30 June 2024, and 1 January 2025 and 30 June 2025	5,000,000,000	50,000
Issued and fully paid		
At 1 January 2024, 30 June 2024, and 1 January 2025 and 30 June 2025	2,000,000,000	20,000

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND MARKET PROSPECT

SEM Holdings Limited (the “Company”), together with its subsidiaries (collectively, the “Group”) is a renowned and established electrical and mechanical (“E&M”) engineering works contractor in Macau and Hong Kong with focus on trading of electrical cables and providing electrical-related E&M engineering works. The scope of our E&M engineering works mainly consisted of supply, installation and maintenance of electrical systems, for new and existing buildings in the projects of commercial, residential and public property development, hotel and casino development and renovation, and trading of electrical cables. During the six months ended 30 June 2025 (the “Period 2025”), the Group has continued to diversify its market risks and uncertainties by entering a new business of trading of electrical cables while constantly striving to stabilise our market position in the E&M engineering business.

During the six months ended 30 June 2025, the Group recorded total revenue of approximately HK\$21.5 million, which decreased by approximately HK\$29.3 million or 57.7% from approximately HK\$50.9 million for the six months ended 30 June 2024 (the “Period 2024”). The decrease was mainly due to the sluggishness in the construction markets of Hong Kong and Macau. The slow economic recovery, global economy’s uncertainties and elevated borrowing costs have led to the continuous sluggishness.

The Group generated revenue of approximately HK\$5.7 million from Hong Kong projects for the Period 2025, representing a decrease of approximately 86.8% when compared to the revenue of approximately HK\$43.5 million for the Period 2024. The decrease is due to completion of a sizable project early in this interim period. The Group has entered the trading of electrical cables market in the Period 2025 to strengthen our revenue streams. Revenue generated by the trading of electrical cables business for the Period 2025 was HK\$2.4 million.

Considering the latest situation of Macau and Hong Kong economies from the continued weak property market sentiment in Macau and Hong Kong, the Directors of the Company (the “Directors”) expect a challenging business environment in the coming years. The Group recognized the need to diversify its revenue streams in the future. Thus, the Group continues to expand its business to trading of construction materials. In view of the rapidly increasing demand for electric vehicles (“EV”) charging facilities, our company will focus on the E&M work of this aspect, position us well for its future growth, and reinforce our status as a trusted provider of EV charging solutions. The management is prudently assessing and evaluating the E&M markets in Macau and Hong Kong and will continue to strive for capturing the new market for E&M engineering services.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately 57.7%, from approximately HK\$50.9 million for the Period 2024 to approximately HK\$21.5 million for the Period 2025. Such decrease was mainly due to the sluggishness in the Hong Kong's construction market. As a result, the Group's revenue and profitability have worsened for the Period 2025. The Group keeps a strong net cash position with limited bank borrowing and the board (the "Board") of directors of the Company believes that the financial position of the Group remains sound.

	Six months ended 30 June (unaudited)			
	2025		2024	
	<i>HK\$ million</i>	<i>%</i>	<i>HK\$ million</i>	<i>%</i>
Provision of electrical and mechanical engineering services				
Hotels and Casinos	11.7	54.4	5.5	10.8
Residential properties	3.5	16.3	2.1	4.1
Commercial properties	0.6	2.8	3.3	6.6
Public properties	2.6	12.1	39.9	78.4
Others	0.7	3.2	0.1	0.1
	<u>21.5</u>		<u>50.9</u>	
Trading of electrical cables	2.4	11.2	–	–
	<u>21.5</u>		<u>50.9</u>	

Cost of sales

The Group's cost of sales amounted to HK\$17.8 million for the Period 2025, representing a decrease of approximately 63.7% from approximately HK\$48.9 million for the Period 2024. Cost of sales mainly comprised of material costs and staff costs, which accounted for approximately 51.5% and 39.5% respectively of the Group's total cost of sales for the Period 2025 (the Period 2024: approximately 12.1% and 65.8%, respectively).

Gross profit/Gross profit margin

The Group's overall gross profit for our provision of E&M engineering works and trading of electrical cables were of approximately HK\$3.8 million for the Period 2025 and approximately HK\$2.0 million for the Period 2024. The gross profit margin increased from approximately 3.9% for the Period 2024 to approximately 17.6% for the Period 2025.

The increase in gross profit margin was mainly attributable to the trading of electrical cables segment. The Directors consider that the gross profit margin of construction projects has been impacted severely by the downturn of the construction market. The Group is striving to implement various cost-saving measures to achieve a higher gross margin of the Group.

Other income

Other income mainly included bank interest income and sundry income. For the Period 2025, the Group's other income amounted to HK\$0.9 million (the Period 2024: HK\$1.0 million).

Reversals of impairment losses under expected credit loss ("ECL") model, net

The Group has received substantial part of the contract assets and trade receivables in respect of a sizable E&M engineering project of a previously suspended hotel development (the "Project"). The outstanding contract assets and trade receivables amounted to approximately HK\$2.1 million and approximately HK\$5.0 million, respectively, as at 30 June 2025 (as at 30 June 2024: approximately HK\$27.4 million and HK\$7.2 million, respectively). The Directors consider that the outstanding balances will be fully recovered in the near future.

At 30 June 2025, the Group has recognised cumulative credit loss allowance on contract assets and trade receivables of approximately HK\$15.8 million and approximately HK\$4.3 million respectively, of which credit loss allowance of approximately HK\$0.2 million and approximately HK\$0.6 million are related to contract assets and trade receivables of the Project, respectively.

Impairment losses under ECL model were derived from trade receivables and contract assets of the Group. The reversal of impairment loss under ECL model was approximately HK\$160,000 in the Period 2024 and the reversal of impairment loss under ECL model was approximately HK\$6.5 million in the Period 2025. The reversal was mainly due to (i) the reversal of prior periods' impairment losses due to the recovery of outstanding balances; and (ii) improvement of ageing in trade receivables of the Group. ECL has been provided on these balances in accordance with the requirements set out in Hong Kong Financial Reporting Standard 9.

Administrative expenses

The Group's administrative expenses remained stable at approximately HK\$10.6 million for the Period 2025 from approximately HK\$10.5 million for the Period 2024.

Income tax expenses (credit)

The Group incurred approximately HK\$0.3 million income tax expenses for the Period 2025 (the Period 2024: an income tax credit of approximately HK\$28,000). The change in taxation was mainly due to the profit generated from the operation of a subsidiary.

Net profit

The Group reported a net profit for the Period 2025 of approximately HK\$0.2 million, as compared with a net loss of approximately HK\$7.4 million recorded for the Period 2024.

The basic earnings per share for the Period 2025 would be approximately HK\$0.01 cents (the Period 2024: basic loss per share was approximately HK\$0.37 cents).

Interim dividend

The Board did not recommend the payment of an interim dividend for the Period 2025 (the Period 2024: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has financed its operations primarily through cash inflows from operating activities. As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$75.7 million (31 December 2024: approximately HK\$56.1 million). Furthermore, the Group also had time deposits of approximately HK\$34 million as at 30 June 2025 (31 December 2024: approximately HK\$16 million).

As at 30 June 2025, the working capital (current assets less current liabilities) of the Group was approximately HK\$189.1 million (31 December 2024: approximately HK\$188.3 million) and the net asset value was approximately HK\$213.2 million (31 December 2024: approximately HK\$212.9 million).

Gearing ratio (total debt/total equity) as at 30 June 2025 was approximately 14.9% (31 December 2024: approximately 21.0%).

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements at all time.

CURRENCY RISK

The Group has minimal exposure to foreign currency risk as most of its business transactions and assets and liabilities are principally denominated in Macau Pataca or Hong Kong dollars of the relevant group entities and the exchange rate between the functional currency and the Hong Kong dollars is relatively stable. As such, the Group currently does not have any foreign currency hedging policy in respect of foreign currency transactions and assets and liabilities as the Group's risk in foreign exchange is insignificant. However, the Group will continue to monitor closely its exposure to currency movement and take proactive measures.

INTEREST RATE RISK

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing financial assets and liabilities, mainly interest-bearing bank balances and a bank borrowing. Interest rates of these bank deposits are determined by reference to the respective bank offer rates and interest rate on the bank borrowing is based on the contracted interest rate at prime rate less 2.55% per annum. The Group currently does not have any interest rate hedging policy. However, the management of the Group will consider hedging significant interest rate risk should the need arise.

PRINCIPAL RISK AND UNCERTAINTY

The Group's business operations are conducted in Macau and Hong Kong providing the electrical-related E&M engineering works and trading of electrical cable and our engagements with customers were on a project basis and non-recurring in nature that we did not enter into any long-term agreement or master service agreement with them. We have to undergo the competitive bidding process for every new project. In the event that we are unable to attract new customers or secure new projects from our existing customers, there may be a significant decrease in our revenue. Our operations and financial results would hence be adversely affected.

The Group's liquidity position may be adversely affected if the progress payment, trade receivables of trading of electrical cables or the retention money is not paid or released to the Group on time or in full; or the construction project cash flows are fluctuated. To monitor the financial liquidity, the Group reviews aging analysis on regular basis and closely communicates with management of the customers so as to get a better understanding of their solvency status.

Other principal risks include fluctuations in estimated project costs versus the actual project cost incurred due to unexpected circumstances and imported labour quota allocated to our projects, both of which would adversely affect the Group's operations and financial performance.

There remain uncertainties relating to the price trends and stable supply of cables and other key materials. If major suppliers adjust their supply arrangements, delay deliveries, or terminate cooperation, it could have a material adverse effect on our operations and profitability. The Group will monitor supplier status closely and take necessary mitigation measures as appropriate.

The Group is also exposed to certain market risks such as currency risk, interest rate risk, credit risk, liquidity risk, etc.

The Group believes that risk management is the responsibility of everyone within the Group and has implemented a risk management system to mitigate the risks in daily operations. Risk management is led by the Directors at the top, who take both macro and micro economic conditions into account before making business decisions, and also aims to develop risk awareness and control responsibility as the Group's culture and the foundation of the Group's internal control system.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION OR DISPOSALS

Save as disclosed in this announcement, the Group did not have any significant investments nor any material acquisitions or disposals of subsidiaries and associated companies for the Period 2025.

PLEDGE OF ASSETS

As at 30 June 2025, a property in Macau with carrying amount of approximately HK\$14.9 million (31 December 2024: approximately HK\$15.1 million) was pledged to a bank located in Macau for obtaining a mortgage loan to finance the relevant acquisition.

The Group had no other material pledge of assets as at 31 December 2024 and 30 June 2025.

FUTURE PLAN FOR MATERIAL INVESTMENT AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group does not have other plans for material investments and capital assets as at 30 June 2025 and up to the date of this announcement.

CAPITAL COMMITMENTS

The Group had no material capital commitments as at 30 June 2025 (31 December 2024: Nil).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

PROSPECTS AND STRATEGIES

The Group's principal business objective is to further strengthen its position as an integrated construction contractor.

For development of E&M engineering services, the Group continues to achieve its business objective by stabilising its scale of operation through its intended effort in actively seeking opportunities in undertaking additional E&M engineering services related projects in Macau and Hong Kong, from both existing and potential new customers, on top of its present scale of operation and its current projects on hand. To navigate these challenges and enhance long-term stability, we are actively pursuing diversification strategies, with a particular focus on expanding our presence in the electrical trading of electrical cables market.

Management of the Group is cautious about the Group's financial performance in second half of 2025 and believe that the Group will improve its financial results for this year.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in elsewhere of this announcement, there have been no other material events occurring after the Period 2025 and up to the date of this announcement.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the Period 2025, as far as the Board and management are aware there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has material impact on the business and operation of the Group.

EMPLOYEES AND REMUNERATION POLICY

The Group had 48 full-time employees (including non-executive directors and executive directors) as at 30 June 2025 (31 December 2024: 50), among whom 18 and 30 (31 December 2024: 18 and 32) were stationed in Macau and Hong Kong, respectively. The remuneration policy and package of the Group's employees were periodically reviewed. Apart from retirement benefit scheme contributions, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual and company performance. The remuneration policy in place as at 30 June 2025 was in line with the current legislation in the relevant jurisdictions, market conditions and performance of the staff and the Group.

CORPORATE GOVERNANCE

Compliance with Corporate Governance Code

The Company has adopted the principles and all relevant code provisions as set out under the Corporate Governance Code (the "CG code") contained in Appendix C1 to Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). To the best of the knowledge of the Board, except the deviation from code provision C.2.1 of the CG Code, the Company has complied with the CG code during the Period 2025 and up to the date of this announcement. The Directors will periodically review on the Company's corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the code provisions from time to time.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Upon the resignation of Mr. Woo Chu Fai (chief executive officer) in 2024, Mr. Wan Man Keung, the chairman of Board, temporarily takes up the function of chief executive officer. The Company is in the course of nominating suitable candidates for the vacancy of chief executive officer.

As Mr. Wan Man Keung currently takes up the function of the chief executive officer, such measure deviates from code provision C.2.1 of the CG Code. The Board believes that the current measure is interim in nature. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in this circumstance. In addition, under the supervision of the Board which is comprised of three executive Directors, a non-executive Director and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the shareholders as a whole.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company regarding Directors’ securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code throughout the Period 2025 and up to the date of this announcement.

Purchase, Redemption or Sale of the Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities for the Period 2025.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for its Shares as required under the Listing Rules during the Period 2025 and up to the date of this announcement.

OTHER INFORMATION

Audit Committee

The Company has a board of audit committee (the “Audit Committee”) which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting process, risk management and internal controls systems. A meeting of the Audit Committee was held on 28 August 2025 to review the unaudited condensed consolidated financial statements of the Group for the Period 2025.

The interim financial results of the Group for the Period 2025 are unaudited but have been reviewed by the Audit Committee and approved by the Board, which the Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

Publication of Results Announcement and Despatch of Interim Report

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (semhld.com). The interim report will also be available at the above websites and will be despatched to the shareholders of the Company in due course.

By Order of the Board
SEM Holdings Limited
Wan Man Keung
Chairman and Chief Executive Officer

Hong Kong, 28 August 2025

As of the date of this announcement, the Board comprises Mr. Wan Man Keung, Mr. Wun Chi Wai and Mr. Yu Chi Kwan as executive Directors; Mrs. Kan Wan Wai Yee Mavis as non-executive Director; and Mr. Lau Ping Cheung Kaizer, Ms. Chen Tak Yee Dickdy and Ir Dr. Wong Wai Man Raymond as independent non-executive Directors.