
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SEM Holdings Limited, you should at once hand this Composite Document together with the accompanying Form of Acceptance to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

YAO CAPITAL LIMITED
姚記資本有限公司
(Incorporated in the British Virgin Islands
with limited liability)

SEM Holdings Limited
澳達控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9929)

**COMPOSITE DOCUMENT RELATING TO
THE MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED FOR AND ON BEHALF OF
YAO CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
SEM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY
OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)**

Financial adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



Unless the context otherwise requires, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Lego Securities containing, among other things, details of the terms of the Offer, is set out on pages 10 to 20 of this Composite Document. A letter from the Board is set out on pages 21 to 27 of this Composite Document. A letter from the Independent Board Committee is set out on pages 28 to 29 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 30 to 53 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Form of Acceptance of the Offer must be received by the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Monday, 19 January 2026 (Hong Kong time) (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the section headed "IMPORTANT NOTICE" in this Composite Document before taking any action. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from such Overseas Shareholder in respect of such jurisdictions. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.semhd.com as long as the Offer remains open.

29 December 2025

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.

Event	Time and Date
Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (<i>Note 1</i>)	Monday, 29 December 2025
Offer opens for acceptance (<i>Note 1</i>)	Monday, 29 December 2025
Latest time and date for acceptance of the Offer (<i>Notes 2, 3 and 5</i>)	by 4:00 p.m. on Monday, 19 January 2026
Closing Date (<i>Notes 3 and 5</i>)	Monday, 19 January 2026
Announcement of the results of the Offer (or its extension or revision, if any) on the website of the Stock Exchange (<i>Notes 3 and 5</i>)	by 7:00 p.m. on Monday, 19 January 2026
Latest date for posting of remittances in respect of valid acceptances received under the Offer (<i>Notes 4 and 5</i>)	Wednesday, 28 January 2026

Notes:

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror decides to revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in the paragraph headed “1. General Procedures for Acceptance of the Offer” in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

EXPECTED TIMETABLE

3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance of the Offer is 4:00 p.m. on Monday, 19 January 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. An announcement will be issued jointly by the Offeror and the Company through the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to revise or extend the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days after the date of the revised offer document(s) and shall not close earlier than the Closing Date.
4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.
5. If there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning signal" or "extreme conditions" as announced by the Hong Kong Government:
 - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will remain on the same Business Day; or
 - (b) in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will be rescheduled to the following Business Day which does not have any of those warnings or condition in force in Hong Kong at any local time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

Save as mentioned above, if the latest time for acceptance of the Offer does not take effect on the date and time as stated above, the other dates subsequent to the latest time and date for acceptance of the Offer mentioned in the expected timetable above may be affected. The Offeror and the Company will notify the Independent Shareholders by way of joint announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek legal advice in respect of the Offer.

It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

The Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay. Please see the paragraphs headed “Availability of the Offer” in the “Letter from Lego Securities” and “7. Overseas Shareholders” in Appendix I to this Composite Document for further details.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

DEFINITIONS

In this Composite Document, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	the acquisition of the Sale Shares by the Offeror from the Vendor pursuant to Sale and Purchase Agreement, which was completed on 26 November 2025
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general business in Hong Kong (other than a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” or “extreme conditions” as announced by the Hong Kong Government is hoisted or remains hoisted in Hong Kong at any time between 9:00 am and 5:00 pm)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular to be despatched by the Company to the Shareholders in respect of the Subscription
“Closing Date”	Monday, 19 January 2026, being the closing date of the Offer, which is at least 21 days after the date of this Composite Document, or if the Offer is extended, any subsequent closing date of the Offer as may be determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code
“Company”	SEM Holdings Limited (澳達控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 9929)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement

DEFINITIONS

“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company to the Independent Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the purchase price for the Acquisition (equivalent to HK\$0.11 per Sale Share)
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Convertible Bond(s)”	two-year convertible bonds in the aggregate principal amount of HK\$44.0 million to be issued by the Company to the Subscriber, pursuant to the Subscription Agreement
“Conversion Price”	the conversion price of HK\$0.11 per Conversion Share
“Conversion Rights”	the conversion rights attaching to the Convertible Bonds
“Conversion Shares”	the 400,000,000 new Shares which may fall to be allotted and issued to the Subscriber at the initial Conversion Price of HK\$0.11, credited as fully paid, upon full exercise of the Conversion Rights by the Subscriber
“Director(s)”	the director(s) of the Company
“Encumbrances”	any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of preemption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or other security interests of any kind, including retention arrangements or other encumbrances and any agreement to create any of the foregoing
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

DEFINITIONS

“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board (comprising all the three independent non-executive Directors, namely Mr. Lau Ping Cheung Kaizer, Ir Dr. Wong Wai Man Raymond and Ms. Chen Tak Yee Dickdy) which has been established to advise the Independent Shareholders in connection with the Offer and as to the acceptance of the Offer
“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed by the SFC to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror, Mr. Yao and parties acting in concert with any one of them
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 3 December 2025 in relation to, among others, the Offer and the Subscription
“Last Trading Day”	25 November 2025, being the last trading day of the Shares on the Stock Exchange immediately prior to the halt in trading of the Shares with effect from 9:00 a.m. on Wednesday, 26 November 2025, pending the publication of the Joint Announcement

DEFINITIONS

“Latest Practicable Date”	24 December 2025, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Lego Corporate Finance”	Lego Corporate Finance Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
“Lego Securities”	Lego Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Offeror
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yao”	Mr. Yao Shuobin, the sole legal and ultimate beneficial owner and the sole director of the Offeror, and a party acting in concert with the Offeror
“Offer”	the mandatory unconditional cash offer made by Lego Securities for and on behalf of the Offeror to acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror, Mr. Yao and parties acting in concert with any one of them pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing on 3 December 2025 (i.e. the date of the Joint Announcement), and ending on the Closing Date
“Offer Price”	the price of HK\$0.11 per Offer Share at which the Offer is made in cash
“Offer Share(s)”	all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Offeror, Mr. Yao and parties acting in concert with any one of them, and an “Offer Share” means any of them

DEFINITIONS

“Offeror” or “Subscriber”	Yao Capital Limited (姚記資本有限公司), a company incorporated in the British Virgin Islands with limited liability, which is legally, beneficially and wholly owned by Mr. Yao
“Overseas Shareholder(s)”	Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong as at the Latest Practicable Date
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period from 3 June 2025, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 26 November 2025 entered into between the Offeror, the Vendor and the Vendor Guarantor in relation to the sale and purchase of the Sale Shares
“Sale Shares”	an aggregate of 1,500,000,000 Shares sold to the Offeror pursuant to the Sale and Purchase Agreement, representing 75% in aggregate of the total issued Shares as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Convertible Bonds by the Subscriber pursuant to the Subscription Agreement

DEFINITIONS

“Subscription Agreement”	the subscription agreement dated 26 November 2025 entered into by the Subscriber and the Company in respect of the Subscription
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	SEM Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is legally and beneficially owned as to 77%, 20% and 3% by Mr. Wan Man Keung, Mr. Wun Chi Wai and Mr. Yu Chi Kwan, respectively
“Vendor Guarantor”	Mr. Wan Man Keung, being the controlling shareholder of the Vendor, an executive Director and the chairman of the Board
“%”	per cent

* *For identification purpose only*

LETTER FROM LEGO SECURITIES



29 December 2025

To the Independent Shareholders:

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED FOR AND ON BEHALF OF
YAO CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
SEM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY
OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 3 December 2025 in relation to, among other things, the Acquisition, the Subscription and the Offer.

SALE AND PURCHASE AGREEMENT

On 26 November 2025 (before trading hours), the Vendor, the Vendor Guarantor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell, the Vendor Guarantor agreed to procure the sale of, and the Offeror agreed to purchase the Sale Shares, being 1,500,000,000 Shares, representing an aggregate of 75% of the issued Shares as at the Latest Practicable Date, for a total cash consideration of HK\$165.0 million (being HK\$0.11 per Sale Share). The Offeror fully paid the consideration for the Sale Shares to the Vendor in cash on the completion date, being 26 November 2025, pursuant to Sale and Purchase Agreement.

SUBSCRIPTION AGREEMENT

On 26 November 2025 (before trading hours), the Company and the Subscriber (i.e. the Offeror) entered into the Subscription Agreement, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe, in cash, for the Convertible Bonds in the principal amount of HK\$44.0 million, which may be converted into 400,000,000 Conversion Shares at the initial Conversion Price of HK\$0.11 per Conversion Share upon exercise of the conversion rights under the Convertible Bonds in full, representing (a) 20.0% of the issued

LETTER FROM LEGO SECURITIES

share capital of the Company as at the date of the Joint Announcement; (b) 20.0% of the issued share capital of the Company as at the Latest Practicable Date; and (c) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

The Subscription is conditional on, among other things, Completion and the close of the Offer. Further details of the Subscription will be set out in the Circular.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, the Vendor held 1,500,000,000 Shares (representing 75% of the issued Shares) and none of the Offeror, Mr. Yao and parties acting in concert with any one of them held, controlled or had direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Immediately following Completion and as at the Latest Practicable Date, the Offeror, Mr. Yao and parties acting in concert with any one of them hold a total of 1,500,000,000 Shares, representing 75% of the issued Shares.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror, Mr. Yao and parties acting in concert with any one of them).

As at the Latest Practicable Date, the Company has 2,000,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and save for the Subscription Agreement, the Company has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the Latest Practicable Date, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares. The Company has no intention to grant any new share options under the existing share option scheme during the Offer Period.

This letter forms part of this Composite Document and sets out, among other things, details of the Offer, information on the Offeror, and the Offeror's intention in relation to the Group. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Independent Shareholders are strongly advised to carefully consider the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee", the "Letter from the Independent Financial Adviser", the appendices to this Composite Document and the accompanying Form of Acceptance, and to consult their own professional advisers before reaching a decision as to whether or not to accept the Offer.

LETTER FROM LEGO SECURITIES

PRINCIPAL TERMS OF THE OFFER

The Offer

Lego Securities, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

For each Offer Share HK\$0.11 in cash

The Offer Price of HK\$0.11 for each Offer Share is same as the price for each Sale Share being acquired by the Offeror pursuant to the Sale and Purchase Agreement.

The Offer is extended to all Shareholders other than the Offeror, Mr. Yao and parties acting in concert with any one of them in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and acquired free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Offeror confirms that the Offer Price is final and will not be increased.

Immediately following Completion and as at the Latest Practicable Date, the Company has 2,000,000,000 Shares in issue, of which a total of 1,500,000,000 Shares were held by the Offeror, Mr. Yao and parties acting in concert with any one of them (representing 75% of the total issued share capital of the Company). As at the Latest Practicable Date, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

The Board confirms that, as at the Latest Practicable Date, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of despatch of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

LETTER FROM LEGO SECURITIES

Comparison of value of the Offer Price

The Offer Price of HK\$0.11 per Offer Share represents:

- (i) a discount of approximately 81.67% to the closing price of HK\$0.600 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.80% over the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 5.77% over the average closing price of approximately HK\$0.104 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 15.79% over the average closing price of HK\$0.095 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 37.5% over the average closing price of approximately HK\$0.080 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 3.77% over the audited consolidated net assets per Share of approximately HK\$0.106 as at 31 December 2024, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$212,944,000 as at 31 December 2024 (the date on which the latest audited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the date of the Joint Announcement; and
- (vii) a premium of approximately 1.85% over the unaudited consolidated net assets per Share of approximately HK\$0.107 as at 30 June 2025, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$213,164,000 as at 30 June 2025 (the date on which the latest unaudited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the Latest Practicable Date.

LETTER FROM LEGO SECURITIES

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.610 per Share on 9 December 2025 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.053 per Share on 3 June 2025.

Total consideration of the Offer

As at the Latest Practicable Date, the Company has 2,000,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.11 per Offer Share, the total issued share capital of the Company would be valued at HK\$220.0 million.

Upon Completion and as at the Latest Practicable Date, save for the total of 1,500,000,000 Shares held by the Offeror, Mr. Yao and parties acting in concert with any one of them, and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 500,000,000 Shares (representing 25% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Offer and the maximum cash consideration payable by the Offeror under the Offer would be HK\$55.0 million based on the Offer Price of HK\$0.11 per Offer Share.

Confirmation of financial resources available for the Offer

The maximum payment obligations payable for the Offer shall be payable in cash. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$55.0 million based on the Offer Price of HK\$0.11 per Offer Share assuming full acceptance of the Offer.

Lego Corporate Finance, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration for the full acceptance of the Offer.

Effect of accepting the Offer

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all Encumbrances and together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document. The Board confirms that, as at the Latest Practicable Date, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer.

LETTER FROM LEGO SECURITIES

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions. Acceptance of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.

Payment

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but, in any event, no later than seven (7) business days (as defined in the Takeovers Code) after the date on which the duly completed acceptance of the Offer is received in accordance with Rule 20.1 of the Takeovers Code. Relevant document(s) evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Offer complete and valid in accordance with Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest Hong Kong cent.

Stamp duty

In Hong Kong, seller’s ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptance of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror to the Independent Shareholders who accept the Offer.

The Offeror will arrange for payment of the seller’s ad valorem stamp duty on behalf of the Independent Shareholders accepting the Offer and will pay the buyer’s ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisers or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

LETTER FROM LEGO SECURITIES

Dealing and interests in the Company's Securities

Save for the Acquisition, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them has dealt for value in nor owned, controlled or directed any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

Availability of the Offer

The Offeror intends to make the Offer available to all the Independent Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws.

Based on the register of members of the Company, as at the Latest Practicable Date, there was no Overseas Shareholder.

INFORMATION ON THE GROUP

Your attention is also drawn to the information on the Group set out in the section headed "Letter from the Board" and Appendices II and IV as contained in this Composite Document.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 27 May 2024. As at the Latest Practicable Date, the Offeror is legally, beneficially and wholly owned by Mr. Yao who is also the sole director of the Offeror.

LETTER FROM LEGO SECURITIES

Mr. Yao, aged 42, is the sole legal and ultimate beneficial owner and the sole director of the Offeror. Mr. Yao is an experienced entrepreneur. He obtained a degree of bachelor of information and computing science in University of Shanghai for Science and Technology and a degree of master of engineering business management in University of Warwick in the United Kingdom. Currently, Mr. Yao is the chairman, chief executive officer and executive director of Shanghai Yaoji Technology Co., Ltd.* (上海姚記科技股份有限公司), a listed company on the Shenzhen Stock Exchange (stock code: 002605.SZ) principally engaged in production and sale of playing cards, and development and operation of mobile games.

Mr. Yao, leveraging his extensive expertise in business operations, corporate governance and client relations, aims to explore and diversify into new industry sectors, including but not limited to, cultural and creative industries, e-commerce, entertainment production, media networks, artificial intelligence, big data analytics, EV charging solutions and E&M business through strategic investments. Mr. Yao's client management experience and business network accumulated from his years of experience in business operation and corporate affairs will assist the Company in establishing and maintaining business relationships to further enhance the customer base of the Group for sustainable development, and his business network may assist the Group in enhancing its market competitiveness of the principal businesses of the Group. Moreover, Mr. Yao considers that the Acquisition presents a compelling investment opportunity yield for long term growth of the Company.

As of the Latest Practicable Date, Mr. Yao has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to Completion.

Immediately before Completion, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them held any Shares. Immediately after Completion and as at the Latest Practicable Date, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them holds any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the total of 1,500,000,000 Shares acquired by the Offeror through the Acquisition.

THE OFFEROR'S INTENTION ON THE GROUP

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes by leveraging on the Offeror's existing resources and connections to explore E&M and EV charging works. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

LETTER FROM LEGO SECURITIES

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules.

As at the Latest Practicable Date, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for possible change to the member(s) of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not identified any potential candidates to nominate as new director(s) to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

As at the Latest Practicable Date, (i) no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group; (ii) the Offeror has no intention or plans for any acquisition of assets and/or business, nor any intention to dispose of any assets and/or existing business by the Group.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer. The Offeror intends the Company to remain listed on the Stock Exchange. Each of the sole director of the Offeror (being Mr. Yao) and the new Directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

LETTER FROM LEGO SECURITIES

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to selected independent third parties or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date.

Further announcement(s) will be made in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Offer as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

LETTER FROM LEGO SECURITIES

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

Attention of the Overseas Shareholders is drawn to the paragraph headed “7. Overseas Shareholders” in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser, the Registrar or (as the case may be) their respective ultimate beneficial owners, directors, officers, agents and associates nor any other person involved in the Offer will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document and the accompanying Form of Acceptance before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully,
For and on behalf of
Lego Securities Limited
Kelvin Li
Director

LETTER FROM THE BOARD

SEM Holdings Limited **澳達控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9929)

Executive Directors:

Mr. Wan Man Keung (*Chairman*)

Mr. Wun Chi Wai

Non-executive Director:

Mrs. Kan Wan Wai Yee Mavis

Independent non-executive Directors:

Mr. Lau Ping Cheung Kaizer

Ir Dr. Wong Wai Man Raymond

Ms. Chen Tak Yee Dickdy

Registered office

in the Cayman Islands:

Cricket Square, Hutchins Drive,

P.O. Box 2681,

Grand Cayman KY1-1111,

Cayman Islands

Principal Place of

Business in Hong Kong:

Unit 1, 4/F

Chai Wan Industrial City Phase II,

70 Wing Tai Road

Chai Wan, Hong Kong

29 December 2025

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED FOR AND ON BEHALF OF
YAO CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
SEM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY
OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND PARTIES
ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement.

LETTER FROM THE BOARD

On 26 November 2025 (before trading hours), the Vendor, the Vendor Guarantor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendor agreed to sell the Sale Shares, being 1,500,000,000 Shares in aggregate, representing 75% of the entire issued share capital of the Company as at the date of the Joint Announcement, at a consideration of HK\$165.0 million (being HK\$0.11 per Sale Share). Completion took place on 26 November 2025.

On 26 November 2025 (before trading hours), the Company and the Subscriber (i.e. the Offeror) entered into the Subscription Agreement, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe, in cash, for the Convertible Bonds in the principal amount of HK\$44.0 million, which may be converted into 400,000,000 Conversion Shares at the initial Conversion Price of HK\$0.11 per Conversion Share upon exercise of the conversion rights under the Convertible Bonds in full, representing (a) 20.0% of the issued share capital of the Company as at the date of the Joint Announcement; (b) 20.0% of the issued share capital of the Company as at the Latest Practicable Date; and (c) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

The Subscription is conditional on, among other things, Completion and the close of the Offer. Further details of the Subscription will be set out in the Circular.

As mentioned in the “Letter from Lego Securities” contained in this Composite Document, immediately prior to the Completion, none of the Offeror, Mr. Yao and the parties acting in concert with any of them held, owned, controlled or had direction over any Shares. Immediately after Completion and as at the Latest Practicable Date, the Offeror, Mr. Yao and the parties acting in concert with any one of them are interested in a total of 1,500,000,000 Shares, representing 75% of the entire issued share capital of the Company. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make an Offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it).

This letter forms part of this Composite Document and set out, among other things, (i) information relating to the Group, the Offeror and the Offer; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the terms of the Offer and as to acceptance of the Offer; and (iii) the letter from the Independent Financial Adviser, containing its advice and recommendation to the Independent Board Committee in relation to the Offer.

Unless the context otherwise requires, terms defined in the Composite Document shall have the same meanings when used in this letter.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Lau Ping Cheung Kaizer, Ir Dr. Wong Wai Man Raymond and Ms. Chen Tak Yee Dickdy, has been established to advise the Independent Shareholders as to whether the Offer is

LETTER FROM THE BOARD

fair and reasonable and as to acceptance of the Offer. The above-named independent non-executive Directors have no direct or indirect interest or involvement in the Offer. It is considered appropriate for them to be members of the Independent Board Committee in this regard.

As announced on 10 December 2025, Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Offer and in particular as to whether the Offer is or is not, fair and reasonable and as to the acceptance of the Offer.

The full texts of the letter from the Independent Board Committee addressed to the Independent Shareholders and the letter from the Independent Financial Adviser addressed to the Independent Board Committee and the Independent Shareholders are set out in this Composite Document. You are advised to read both letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

THE OFFER

As set out in the “Letter from Lego Securities” contained in this Composite Document, Lego Securities is making the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following terms:

Offer price for each Offer Share HK\$0.11 in cash

The Offer Price of HK\$0.11 for each Offer Share is same as the price for each Sale Share being acquired by the Offeror pursuant to the Sale and Purchase Agreement. No fractions of a Hong Kong cent will be payable and the amount of consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent. The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of the Shares or any other conditions.

The Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights and benefits attached thereto, including but not limited to the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document. As at the Latest Practicable Date, the Company has not declared any dividend which is outstanding and not yet paid and the Company does not intend to declare, make or pay any dividend or other distributions prior to close of the Offer.

Please also refer to the “Letter from Lego Securities” contained in this Composite Document, Appendix I to this Composite Document and the accompanying Form of Acceptance for further information in relation to, among other things, the Offer and acceptance and settlement procedures of the Offer.

LETTER FROM THE BOARD

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands on 6 November 2015 as an exempted company with limited liability. The Group is principally engaged in provision of electrical and mechanical engineering services in Macau and Hong Kong. The scope of the Group's electrical and mechanical engineering services mainly consisted of supply, installation and maintenance of electrical system, for new and existing buildings in the projects of commercial and residential development, hotel development, casino development, hotel renovation and sports venue in Macau and Hong Kong and trading of electrical cable.

Your attention is drawn to Appendices II and III to this Composite Document which contain further financial and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately upon Completion and as at the Latest Practicable Date are set forth as follows:

Shareholders	Immediately prior to Completion		Immediately upon Completion and as at the Latest Practicable Date	
	Number of Shares	% of issued Shares (approximate)	Number of Shares	% of issued Shares (approximate)
The Offeror and parties acting in concert with it				
– The Offeror (<i>Note 1</i>)	–	–	1,500,000,000	75.00
Sub-total	–	–	1,500,000,000	75.00
Vendor				
– SEM Enterprises Limited (<i>Note 2</i>)	1,500,000,000	75.00	–	–
Sub-total	1,500,000,000	75.00	–	–
Public Shareholders	500,000,000	25.00	500,000,000	25.00
Total	2,000,000,000	100.00	2,000,000,000	100.00

Notes:

- The Offeror is legally, beneficially and wholly owned by Mr. Yao.
- SEM Enterprises Limited, a company incorporated in the British Virgin Islands, is legally and beneficially owned as to 77%, 20% and 3% by Mr. Wan Man Keung, Mr. Wun Chi Wai and Mr. Yu Chi Kwan, respectively. Mr. Wan Man Keung is an executive Director and the chairman of the Board, and Mr Wun Chi Wai is an executive Director. Mr. Yu Chi Kwan resigned as an executive Director with effect from 10 October 2025.

LETTER FROM THE BOARD

3. Save for the aforementioned, none of the Directors held/holds any Shares immediately before and following Completion and as at the Latest Practicable Date.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information of the Offeror” in the “Letter from Lego Securities” contained in this Composite Document.

INTENTION OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the section headed “The Offeror’s intention on the Group” in the “Letter from Lego Securities” contained in this Composite Document for details regarding Offeror’s intention on the business of the Group.

In particular, as stated in the “Letter from Lego Securities”, following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes by leveraging on the Offeror’s existing resources and connections to explore E&M and EV charging works. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group’s long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules.

As at the Latest Practicable Date, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a possible change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

LETTER FROM THE BOARD

As stated in the “Letter from Lego Securities”, save for the Offeror’s intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

As at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Board is aware of the Offeror’s intention in relation to the Group and is willing to render co-operation with the Offeror and will continue to act in the best interests of the Group and the Shareholders as a whole.

PUBLIC FLOAT AND LISTING STATUS OF THE COMPANY

As stated in the “Letter from Lego Securities” contained in this Composite Document, the Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury Shares), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) that there are insufficient Shares in public hands to maintain an orderly market,

then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

LETTER FROM THE BOARD

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to selected independent third parties or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date.

The sole director of the Offeror and the new Director(s) to be appointed to the Board, if any, will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any outstanding Offer Shares after the close of the Offer.

RECOMMENDATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages 28 to 29 of this Composite Document, which contains its recommendation to the Independent Shareholders in respect of the Offer, and (ii) the “Letter from the Independent Financial Adviser” as set out on pages 30 to 53 of this Composite Document, which contains, among other things, its advice to the Independent Board Committee and the Independent Shareholders in relation to the Offer and the principal factors considered by it before arriving at its recommendation.

ADDITIONAL INFORMATION

Your attention is also drawn to the “Letter from Lego Securities” and the additional information contained in the appendices to this Composite Document and the accompanying Forms of Acceptance.

Yours faithfully,
By order of the Board
SEM HOLDINGS LIMITED
Wan Man Keung
Chairman and executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee to the Independent Shareholders in respect of the Offer for inclusion in this Composite Document.

SEM Holdings Limited

澳達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9929)

29 December 2025

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED FOR AND ON BEHALF OF
YAO CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
SEM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY
OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to the Composite Document issued jointly by the Offeror and the Company dated 3 December 2025 of which this letter forms part. Unless the context requires otherwise, terms used in this letter shall have the same meaning as those defined in the Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider and to advise the Independent Shareholders as to whether or not the Offer is fair and reasonable and to make a recommendation as to the acceptance of the Offer.

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise us in respect of the above. Detail of its advice and the principal factors and reasons taken into consideration in arriving at its recommendation are set out in the “Letter from the Independent Financial Adviser” on pages 30 to 53 of the Composite Document.

We also wish to draw your attention to the “Letter from Lego Securities” and the “Letter from the Board” as set out in the Composite Document as well as the additional information set out in the appendices to the Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We, being the members of the Independent Board Committee, have declared that, we are independent and do not have any conflict of interest in respect of the Offer and are therefore able to consider the terms of the Offer and to make recommendations to the Independent Shareholders.

RECOMMENDATIONS

Having considered the terms of the Offer and the advice from the Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in its letter in the Composite Document, we consider that the Offer is not fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders not to accept the Offer. The Independent Shareholders are recommended to read the full text of the “Letter from the Independent Financial Adviser” as set out in the Composite Document.

However, for those Independent Shareholders who are considering to realise all or part of their holdings in the Shares, they should closely monitor the market price and liquidity of the Shares during the period of the Offer. Should the market price of the Shares exceed the Offer Price during the period of the Offer, and the sale proceeds (net of transaction costs) exceed the net proceeds receivable under the Offer, the Independent Shareholders may wish to consider selling their Shares in the market instead of accepting the Offer.

Notwithstanding our recommendations, the Independent Shareholders are strongly advised that their decision to realise or to hold their investment in the Shares depends on their own individual circumstances and investment objectives. If in any doubt, the Independent Shareholders should consult their own professional advisers for professional advice.

Yours faithfully,

For and on behalf of the
Independent Board Committee of
SEM Holdings Limited

Mr. Lau Ping Cheung Kaizer
Independent
non-executive Director

Ir Dr. Wong Wai Man
Raymond
Independent
non-executive Director

Ms. Chen Tak Yee Dickdy
Independent
non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee in respect of the Offer for inclusion in this Composite Document.



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29 December 2025

*To: The Independent Board Committee of
SEM Holdings Limited*

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF
YAO CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
SEM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document dated 29 December 2025, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless the context otherwise requires.

As at the Latest Practicable Date, the Company has 2,000,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and save for the Subscription Agreement, the Company has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the Latest Practicable Date, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares. The Company has no intention to grant any new share options under the existing share option scheme during the offer period (as defined under the Takeovers Code).

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The Board was notified by the Vendor that before trading hours on 26 November 2025, the Vendor, the Vendor Guarantor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell, the Vendor Guarantor agreed to procure the sale of, and the Offeror agreed to purchase, 1,500,000,000 Shares, representing an aggregate of 75% of the issued Shares as at the date of the Latest Practicable Date, for a total cash consideration of HK\$165.0 million (being HK\$0.11 per Sale Share).

Immediately following Completion and as at the Latest Practicable Date, the Offeror and the parties acting in concert with it hold a total of 1,500,000,000 Shares, representing 75% of the issued Shares.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it).

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lau Ping Cheung Kaizer, Ir Dr. Wong Wai Man Raymond and Ms. Chen Tak Yee Dickdy, has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to acceptance of the Offer. Mrs. Kan Wan Wai Yee Mavis, the non-executive Director, is a cousin of Mr. Wan Man Keung and Mr. Wun Chi Wai who are the ultimate beneficial owners of the Vendor. Accordingly, Mrs. Kan Wan Wai Yee Mavis is not considered independent to be a member of the Independent Board Committee and has declared her interest to the Board accordingly. Red Sun Capital Limited has been appointed by the Board with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee in the same regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we were independent from and not connected with the Company, the Offeror and its concert parties and their respective shareholders, directors or chief executives, or any of their respective associates. Accordingly, we are qualified to give independent advice to the Independent Board Committee regarding the Offer.

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In the last two years, save for this appointment, we have not acted as an independent financial adviser to the independent board committee of the Company and/or the Independent Shareholders. Apart from normal professional fees paid or payable to us in connection with this appointment as the independent financial adviser and the engagement as stated above as the independent financial adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. In addition, having considered that (i) remuneration for our independent financial adviser engagement in relation to the Offer is fixed and at market level, and is not conditional upon the outcome of the Offer; (ii) no arrangement exists whereby we shall receive any fees or benefits from the Company (other than our said remuneration) or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them; and (iii) our engagement is on normal commercial terms and approved by the Independent Board Committee, we are independent of the Company and the Offeror, their respective controlling shareholders and any parties acting in concert with any of them, we consider that we are independent from the Group pursuant to Rule 13.84 of the Listing Rules and Rule 2 of the Takeovers Code.

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our advice, we have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations provided to us by the Group, the Directors and/or management of the Company (the “**Management**”). We have assumed that all information, representations and opinions contained or referred to in the Composite Document or made, given or provided to us by the Company, the Directors and the Management, for which they are solely and wholly responsible, were true and accurate and complete in all material respects at the time when they were made and continue to be so as at the Latest Practicable Date. We have assumed that all the opinions and representations made by the Directors in the Composite Document have been reasonably made after due and careful enquiry. The Directors and the Management confirmed that no material facts have been omitted from the information provided and referred to in the Composite Document. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. The Company will notify the Shareholders of any material changes to information contained or referred to in the Composite Document as soon as possible in accordance with Rule 9.1 of the Takeovers Code. The Shareholders will also be informed as soon as possible when there is any material changes to the information contained or referred to herein as well as changes to our opinion, advice and/or recommendation, the information and representations provided and made to us and the information contained in this letter, if any, after the Latest Practicable Date as soon as possible.

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We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the financial position, business and affairs of the Group and, where applicable, their respective shareholder(s) and subsidiaries or affiliates, and their respective history, experience and track records, or the prospects of the markets in which they respectively operate.

We consider that we have been provided with sufficient information to enable us to reach an informed view and to provide a reasonable basis for our advice. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Group, the Directors and/or the Management and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents.

We have not considered the tax and regulatory implications on the Independent Shareholders of acceptance or non-acceptance of the Offer since these depend on their individual circumstances. In particular, the Independent Shareholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional adviser.

This letter is issued to the Independent Board Committee solely for their consideration in respect of the Offer, and except for its inclusion in the Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent. In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

PRINCIPAL TERMS OF THE OFFER

Lego Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

For each Offer Share HK\$0.11 in cash

The Offer Price of HK\$0.11 for each Offer Share is same as the price for each Sale Share being acquired by the Offeror pursuant to the Sale and Purchase Agreement.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

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PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation, we have taken into consideration the following principal factors and reasons:

1. Financial information of the Group and outlook

1.1 Historical financial information of the Group

The Company is a company incorporated in the Cayman Islands on 6 November 2015 as an exempted company with limited liability. The Group is principally engaged in provision of electrical and mechanical engineering services in Macau and Hong Kong. The scope of the Group's electrical and mechanical engineering services mainly consisted of supply, installation and maintenance of electrical system, for new and existing buildings in the projects of commercial and residential development, hotel development, casino development, hotel renovation and sports venue in Macau and Hong Kong and trading of electrical cables.

Set out below is a summary of the financial information of the Group for the two years ended 31 December 2023 and 2024 as extracted from the annual report of the Group for the year ended 31 December 2024 (the “**2024 Annual Report**”) and the six months ended 30 June 2024 and 2025 as extracted from the interim report of the Group for the six months ended 30 June 2025 (the “**2025 Interim Report**”), respectively:

Summary of the consolidated statement of comprehensive income of the Group

	For the six months ended 30 June		For the year ended 31 December	
	2025	2024	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	21,545	50,889	91,707	258,894
– Macau	15,822	7,376	31,380	22,144
– Hong Kong	5,723	43,513	60,327	236,750
– Provision of electrical and mechanical engineering services	19,109	50,889	91,707	258,894
– Trading of electrical cables	2,436	–	–	–
Cost of sales	(17,761)	(48,884)	(68,186)	(239,382)
Gross profit	3,784	2,005	23,521	19,512
Profit/(loss) and total comprehensive income/(expense) for the period/year attributable to owners of the Company	220	(7,438)	3,802	(7,970)

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Financial performance for the six months ended 30 June 2024 (“6M2024”) and the six months ended 30 June 2025 (“6M2025”)

Based on the 2025 Interim Report, revenue of the Group decreased by approximately 57.7% from approximately HK\$50.9 million for 6M2024 to approximately HK\$21.5 million for 6M2025. The revenue for 6M2025 mainly comprised approximately HK\$19.1 million from provision of electrical and mechanical engineering services and approximately HK\$2.4 million from trading of electrical cables. The decrease in revenue 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.

Notwithstanding the decrease in revenue in 6M2025, the gross profit of the Group increased from approximately HK\$2.0 million for 6M2024 to approximately HK\$3.8 million for 6M2025, representing an increase of approximately 88.7% and the gross profit margin also increased from approximately 3.9% in 6M2024 to approximately 17.6% in 6M2025. 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.

The Group recorded profit attributable to owners of the Company for 6M2025 of approximately HK\$0.2 million versus loss attributable to owners of the Company of approximately HK\$7.4 million for 6M2024 which was resulted from (1) increase in gross profit as stated above; and (2) the reversals of impairment losses under expected credit loss (“ECL”) model, net increased from approximately HK\$0.2 million in 6M2024 to approximately HK\$6.5 million in 6M2025.

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Financial performance for the year ended 31 December 2023 (“FY2023”) and the year ended 31 December 2024 (“FY2024”)

We noted from the 2024 Annual Report that the Group recorded revenue of approximately HK\$91.7 million for FY2024, representing a decrease of approximately HK\$167.2 million or 64.6% as compared to approximately HK\$258.9 million for FY2023. The decrease in revenue was primarily due to decrease in contribution of revenue from public properties, one of the property categories to which the Group provides electrical and mechanical engineering services, from approximately HK\$238.3 million in FY2023 to approximately HK\$63.9 million in FY2024, representing a decrease of approximately HK\$174.4 million or 73.2%. Such decrease was mainly attributable by the largest project on hand (a sport venue development project in Hong Kong) with contract sum over HK\$300 million started in 2021 being at completion stages in FY2024 and the Group faced operational challenges including other existing project delays and increasing competition which affected its tendering and the project revenue booked in FY2024. Based on our discussion with the Company, we understand that (i) the value of construction projects currently on hand has decreased during FY2024 as compared to FY2023, primarily as a result of the aforementioned project reached its completion stage in FY2024; and (ii) the aggregate contract amount of tenders in which the Company has participated or applied to has declined, attributable to the increased competition in the construction industry in Hong Kong.

Notwithstanding the decrease in revenue, the gross profit of the Group increased from approximately HK\$19.5 million for FY2023 to approximately HK\$23.5 million for FY2024, representing an increase of approximately 20.5%. The gross profit margin increased from approximately 7.5% in FY2023 to approximately 25.6% in FY2024 which was attributable to (1) cost saving measurements implemented in Macau and Hong Kong; and (2) revaluation of budget project cost in the sport venue development project in Hong Kong.

The Group recorded a change in profit attributable to owners of the Company to approximately HK\$3.8 million for FY2024 from loss attributable to owners of the Company of approximately HK\$8.0 million for FY2023, mainly attributable to (1) increase in gross profit as stated above; (2) there is a change from impairment losses under ECL model of approximately HK\$3.7 million in FY2023 to reversal of impairment losses under ECL model of approximately HK\$2.1 million in FY2024; and (3) reduction of other losses from approximately HK\$2.8 million in FY2023 to nil in FY2024.

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Summary of the consolidated statement of financial position of the Group

	As at 30 June 2025 <i>HK\$'000</i> (unaudited)	As at 31 December 2024 <i>HK\$'000</i> (audited)	2023 <i>HK\$'000</i> (audited)
Non-current assets	28,636	29,609	31,405
Current assets	216,280	227,991	228,507
– Cash and cash equivalents	75,743	56,126	35,887
Total assets	244,916	257,600	259,912
Non-current liabilities	4,547	4,930	5,638
Current liabilities	27,205	39,726	45,132
Total liabilities	31,752	44,656	50,770
Net current assets	189,075	188,265	183,375
Net assets	213,164	212,944	209,142

Financial position as at 30 June 2025 and 31 December 2024

Total assets of the Group amounted to approximately HK\$244.9 million as at 30 June 2025, which decreased slightly from the total assets of the approximately HK\$257.6 million as at 31 December 2024. The total assets of the Group as at 30 June 2025 mainly comprised (i) contract assets of approximately HK\$81.4 million; (ii) cash and cash equivalents of approximately HK\$75.7 million; (iii) time deposits of approximately HK\$34 million; (iv) property, plant and equipment of approximately HK\$28.6 million; and (v) trade and other receivables of approximately HK\$25.2 million.

Total liabilities of the Group recorded at approximately HK\$31.8 million as at 30 June 2025, which mainly consisted of (i) other payables of approximately HK\$19.5 million; (ii) bank borrowing of approximately HK\$5.0 million; and (iii) trade payables of approximately HK\$4.7 million.

The net assets of the Group amounted to approximately HK\$213.2 million as at 30 June 2025, which is general in line with the net assets of the Group of approximately HK\$212.9 million as at 31 December 2024.

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Financial position as at 31 December 2024 and 31 December 2023

Total assets of the Group amounted to approximately HK\$257.6 million as at 31 December 2024, which was broadly in line with the total assets of approximately HK\$259.9 million as at 31 December 2023. The total assets of the Group as at 31 December 2024 mainly comprised (i) contract assets of approximately HK\$92.3 million; (ii) cash and cash equivalents of approximately HK\$56.1 million; (iii) time deposits of approximately HK\$16.0 million; (iv) property, plant and equipment of approximately HK\$29.6 million; and (v) trade and other receivables of approximately HK\$63.6 million.

Total liabilities of the Group recorded at approximately HK\$44.7 million as at 31 December 2024, which decreased slightly from the total liabilities of approximately HK\$50.8 million as at 31 December 2023. The total liabilities of the Group as at 31 December 2024 mainly consisted of (i) trade and other payables of approximately HK\$28.8 million; (ii) contract liabilities of approximately HK\$8.2 million; and (iii) bank borrowing of approximately HK\$5.4 million.

The net assets of the Group amounted to approximately HK\$212.9 million as at 31 December 2024, which is higher than the net assets of the Group of approximately HK\$209.1 million as at 31 December 2023. The increase in the net assets of the Group was attributable to the profit for the year attributable to the owners of the Company in FY2024.

1.2 Outlook and prospects of the Group

As stated in 2025 Interim Report, considering the latest situation of Macau and Hong Kong economies from the continued weak property market sentiment in Macau and Hong Kong, 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, the Company will focus on the E&M work of this aspect, positioning it well for its future growth, and reinforcing its 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. Leveraging its extensive service provision in this sector, the Group has established a solid industry network, which provides a substantial foundation for the new cable trading venture. The Group will focus on sourcing high-quality electrical cables with the aim of establishing the Group as a reliable distributor within the Hong Kong construction market. As disclosed in the 2025 Interim Report, the Group has recorded approximately HK\$2.4 million of revenue from the trading of electrical cables segment. As advised by Management, the Company has secured contracts amounting to not less than HK\$30 million from the trading of electrical cables, the contracts of which are expected to be completed in the year ending 31 December 2026.

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In light of the rapidly growing demand for EV charging infrastructure, the Group will strategically focus its E&M expertise on this high-growth sector. This pivot is designed to position the Company for sustained future growth and solidify its status as a trusted and leading provider of EV charging solutions. The EV charging solution business will be delivered through a streamlined model encompassing hardware provision and expert installation, drawing directly on the deep E&M engineering heritage of the Group. It is strategically concentrating on the private residential segment with existing parking facilities, a market with acute demand but currently limited quality service providers, thereby presenting a substantial and immediate opportunity.

Based on the information published on the website of the Environmental Branch – Environmental and Ecology Bureau of the Government of the Hong Kong Special Administrative Region¹ (the “**HK Government**”), the HK Government has implemented various measures and financial initiatives to promote the use of electric vehicles, such as the “Fast Charger Incentive Scheme” launched in 2025 to support the rising number of electric vehicles. As at the end of September 2025, the total number of EV chargers for public usage amounted to approximately 15,578 in Hong Kong, with the target of providing additional 3,000 EV chargers by the end of 2028. In parallel, data disclosed on the website of the Government Portal of Macau Special Administrative Region of the People’s Republic of China² indicated that, as at 31 July 2025, the number of new registrations of motor vehicles decreased by 2.9% year-on-year, while the proportion of EV growing by 7.5 percentage points to 37.9%, demonstrating the growing trend in EV adoption.

According to the Hong Kong Census and Statistics Department, the value of construction works at locations other than sites – special trades (carpentry, electrical equipment, ventilation, gas and water fitting installation and maintenance etc) for main contractor and sub-contractor in 2024 were approximately HK\$35,444 million and HK\$86,353 million respectively, representing a 4.1% and 2.8% growth comparing with 2023.

According to the Government of Macao Statistics and Census Service, in 2024, the construction industry’s revenue increased by 3.7% year-on-year to MOP54.66 billion, of which revenue from contracted projects was MOP53.37 billion, representing an increase of 2.4%; total expenditure increased by 4.2% to MOP50.61 billion. Industry profits decreased by 1.8% year-on-year to MOP4.04 billion, and the total added value was MOP12.98 billion, representing a decrease of 10.0%.

¹ <https://www.eeb.gov.hk/en/FCIS/index.html>

² <https://www.gov.mo/en/news/367114>

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Based on the aforesaid, we consider that the industry of the Group's business has moderate growth but with increasing competition, while the Group continues to face operational challenges which reflected in its revenue decrease in FY2024 and 6M2025. Nevertheless, the increasing demand of EV charging solutions, coupled with the measures introduced by the HK Government, the increasing EV adoption in Macau and the Group's effort to continue to capture the growing demand of EV charging solutions as shown by the increasing revenue recognised from the trading of electrical cables as abovementioned, may also drive the growth of the Group's business in future.

2. Information on the Offeror and the intention of the Offeror in relation to the Group

2.1 Information on the Offeror

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 27 May 2024. As at the Latest Practicable Date, the Offeror is legally, beneficially and wholly owned by Mr. Yao who is also the sole director of the Offeror.

Mr. Yao, aged 42, is the sole legal and ultimate beneficial owner and the sole director of the Offeror. Mr. Yao is an experienced entrepreneur. He obtained a degree of bachelor of information and computing science in University of Shanghai for Science and a degree of master of engineering business management in Technology and University of Warwick in the United Kingdom. Currently, Mr. Yao is the chairman, chief executive officer and executive director of Shanghai Yaoji Technology Co., Ltd.* (上海姚記科技股份有限公司), a listed company on the Shenzhen Stock Exchange (stock code: 002605.SZ), principally engaged in production and sales of playing cards, and development and operation of mobile games.

Mr. Yao, leveraging his extensive expertise in business operations, corporate governance and client relations, aims to explore and diversify into new industry sectors, including but not limited to, cultural and creative industries, e-commerce, entertainment production, media networks, artificial intelligence, big data analytics, EV charging solutions and E&M business through strategic investments. Mr. Yao's client management experience and business network accumulated from his years of experience in business operation and corporate affairs will assist the Company in establishing and maintaining business relationships to further enhance the customer base of the Group for sustainable development, and his business network may assist the Group in enhancing its market competitiveness of the principal business of the Group. Moreover, Mr. Yao considers that the Acquisition presents a compelling investment opportunity yield for long term growth of the Company. After the Acquisition, the Company may be able to benefit from Mr. Yao's profound experience in business operations and management and client relations to further explore future development plans in order to achieve long term growth, which is expected to bring in positive influence to the Company.

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As of the Latest Practicable Date, Mr. Yao has not held any directorship in public companies, the securities of which are listed on any securities market in Hong Kong.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to Completion.

Immediately before Completion, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them held any Shares. Immediately after Completion and as at the Latest Practicable Date, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them holds any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the total of 1,500,000,000 Shares acquired by the Offeror through the Acquisition.

2.2 Intention of the Offeror in relation to the Group

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes by leveraging on the Offeror's existing resources and connections to explore E&M and EV charging works. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules.

As at the Latest Practicable Date, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a possible change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

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The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

As at the Latest Practicable Date, (i) no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group; (ii) the Offeror has no intention or plans for any acquisition of assets and/or business, nor any intention to dispose of any assets and/or existing business by the Group.

Considering the Offeror (i) will continue with the existing business of the Group; (ii) has no intention to discontinue the employment of any of the Group's employees; (iii) will conduct assessment on the existing principal business and determine whether any development or opportunities are necessary to support the long-term growth; and (iv) has profound experience in business operations and management and client relations to further explore future development plans in order to achieve long term growth, we consider the intention of the Offeror, upon the Acquisition, may bring positive influence to the Group.

3. The Offer Price

3.1 The Offer Price comparison

The Offer Price of HK\$0.11 per Offer Share represents:

- (i) a discount of approximately 81.67% to the closing price as quoted on the Stock Exchange on 24 December 2025, being the Latest Practicable Date, i.e. HK\$0.6 per Share;
- (ii) a premium of approximately 6.80% over the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day;

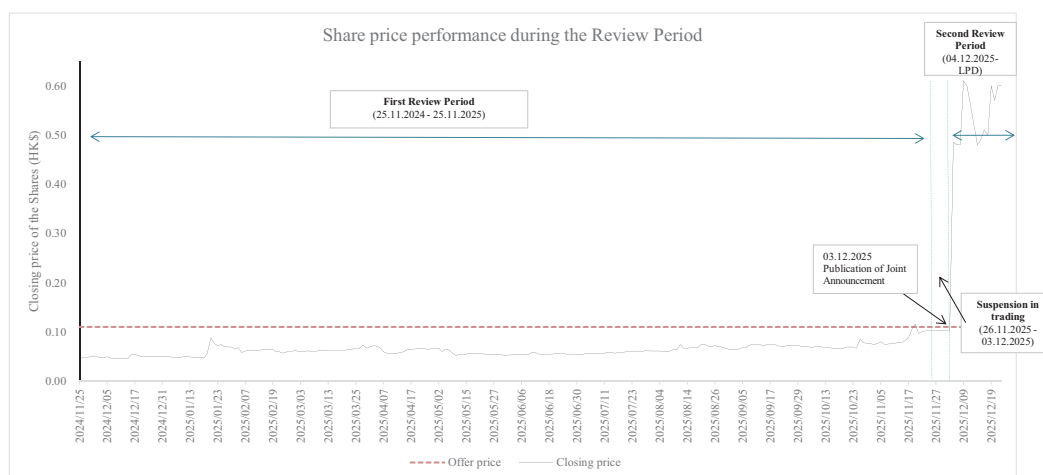
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- (iii) a premium of approximately 5.77% over the average closing price of approximately HK\$0.104 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 15.79% over the average closing price of HK\$0.095 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 37.5% over the average closing price of approximately HK\$0.080 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 3.77% over the audited consolidated net assets per Share of approximately HK\$0.106 as at 31 December 2024, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$212,944,000 as at 31 December 2024 (the date on which the latest audited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a premium of approximately 1.85% over the audited consolidated net assets per Share of approximately HK\$0.108 as at 30 June 2025, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$213,164,000 as at 30 June 2025 (the date on which the latest audited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the Latest Practicable Date; and.

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3.2 Historical Share price performance

We have reviewed and analysed the closing price of Shares (i) for approximately 12 months immediately prior to the Last Trading Day commencing on 25 November 2024 and up to and including the Last Trading Day (the “**First Review Period**”); and (ii) from the day immediately following the date of the Joint Announcement up to and including the Latest Practicable Date (the “**Second Review Period**” together with the First Review Period, the “**Review Period**”) below:



Source: www.hkex.com.hk

The Offer Price of HK\$0.11 represents (a) a premium of approximately 21.67% to the average closing price of approximately HK\$0.09 per Share during the Review Period; (b) premium of approximately 6.80% over the closing price of HK\$0.103 per Share on the Last Trading Day; (c) a discount of approximately 81.67% over the closing price of HK\$0.6 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

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First Review Period

During the First Review Period, the closing price of the Shares remained largely stable ranging from the lowest closing price of HK\$0.045 per Share up to the highest closing price at HK\$0.116 per Share (“**First Review Period Price Range**”), with an average of HK\$0.063 per Share. The Offer Price of HK\$0.11 represents a premium of approximately 74.6% over the average closing price during the First Review Period.

Second Review Period

The Second Review Period recorded closing price ranging from HK\$0.48 to HK\$0.61 (the “**Second Review Period Price Range**”), with an average closing price of HK\$0.539 per Share. During the Second Review Period, the closing price of the Shares experienced a notable increase upon the resumption of trading on 4 December 2025 after the Joint Announcement has been published, with the closing price surging from HK\$0.103 on 25 November 2025 to HK\$0.485 on 4 December 2025. Based on our discussion with Management, save for the publication of the Joint Announcement, the Management were not aware of any material matters potentially caused the aforesaid movement. We consider that the notable increase in closing price per Share were primarily attributable to the market reaction and anticipation to the Offer following release of the Joint Announcement, which could be a temporary reaction to the Offer as they may not be supported by the Group’s underlying fundamentals, and it may or may not persist after the Offer Period. Shareholders should closely monitor the market prices of the Shares before deciding whether to sell their Shares in the open market or accept the Offer. Apart from the brief spike, the overall performance of the closing prices were generally stable.

Shareholders should note that the information set out above is not an indicator of the future performance of Shares and that the price of Shares in the future may increase or decrease from its closing price as at the Latest Practicable Date.

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3.3 Historical liquidity of the Shares

The table below sets out the trading volume of Shares during the Review Period:

Month/period	Number of trading days in the month/period	Average daily trading volume per trading day in the month/period	Percentage of average daily trading volume to total number of Shares in issue (Note 1) Approximate %	Percentage of average daily trading volume to total number of Shares held by public Shareholders (Note 2) Approximate %
First Review Period				
2024				
November (from 25 November 2024)	5	84,000	>0.01%	0.02%
December	20	230,500	0.01%	0.05%
2025				
January	19	2,933,684	0.15%	0.59%
February	20	831,000	0.04%	0.17%
March	21	358,095	0.02%	0.07%
April	19	397,368	0.02%	0.08%
May	20	695,500	0.03%	0.14%
June	21	135,714	0.01%	0.03%
July	22	332,273	0.02%	0.07%
August	21	2,106,190	0.11%	0.42%
September	22	720,000	0.04%	0.14%
October	20	1,291,500	0.06%	0.26%
November (Note 3) (up to and including the Last Trading Day)	17	4,788,824	0.24%	0.96%
Second Review Period				
2025				
December (from 4 December 2025)	15	45,216,920	2.26	9.04

Source: www.hkex.com.hk

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Notes:

1. Calculated based on the total number of the Shares in issue at the end of month/period.
2. Calculated based on the total number of the Shares held by public shareholders as at the end of each month/period.
3. During the Review Period, the trading in the Shares had been halted on 26 November 2025 and trading was resumed on 4 December 2025.

As set out in the table above, during the First Review Period, the percentage of average daily number of Shares traded relative to the total number of Shares in issue ranged from approximately 0.01% to 0.24%, with an average of approximately 0.06%. It is noted that in 9 out of the 12 months, the trading percentage falls below the average of 0.06%. In addition, the percentage of average daily trading volume to the total number of Shares held by public shareholders ranged from approximately 0.02% to 0.96%, with an average of approximately 0.23%, and it is noted that 9 out of the 12 months recorded a percentage below of the aforesaid average of 0.23%. It is further noted, during the First Review Period, there were a total of trading days, of which 53 days recorded no trading of Shares.

It is noted that, during the First Review Period, November 2025 recorded a comparatively high trading volume than other months from 25 November 2024 to October 2025, accounting for approximately 0.24% to the total number of Shares in issue and 0.96% to the number of Shares held by public Shareholders (versus the average of approximately 0.06% to the total number of Shares in issue and 0.23% to the number of Shares held by public Shareholders from 25 November 2024 to October 2025). Based on our further review, the high trading volume was primarily attributable to the trading activity on 18 and 19 November 2025, which recorded volumes of approximately 24,980,000 and 20,480,000 respectively. As advised by the Management, they are not aware of any material events that could have contributed to the aforesaid elevated trading activity.

During the Second Review Period, the percentage of average daily trading volume of the Shares relative to the total number of Shares in issue were approximately 2.26%, and approximately 9.04% relative to the total number of Shares held by public Shareholders.

Given the percentage of average daily trading volume to total number of Shares in issue and to total number of Shares held by public Shareholders generally remained below 0.1% during the First Review Period, we consider that the trading liquidity of the Shares have been thin in the open market, which may impose limitation on potential investor participation. In this context, Shareholders shall be aware that, depending on their shareholding size, when attempting to realise their investment or dispose their Shares in the open market could potentially exert downward pressure on the price of the Shares causing the sale proceeds from the disposal in the open market to be lower than Offer Price.

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3.4 Market comparable analysis

With a view to assess the fairness and reasonableness of the Offer Price, we have also conducted market comparable analysis by comparing the price-to-earnings ratio (the “**P/E Ratio**”) and the price-to-book ratio (the “**P/B Ratio**”) of the Company as implied by the Offer Price and based on the closing price of the Share on the Last Trading Day against that of other listed companies on the Main Board of the Stock Exchange that engages in similar business to those of the Group.

Based on the unaudited net asset value attributable to owners of the Company of approximately HK\$213,164,000 as at 30 June 2025, the P/B ratio of the Company based on the closing price on the Last Trading Day and the Offer Price, would be approximately 0.97 and 1.03 times, respectively.

For the purpose of our analysis, we have identified comparable companies based on the following criteria: (a) the shares of which are listed on the Main Board of the Stock Exchange; (b) the listed company(ies) that principally engaged, with over 50% of their revenue generated from the provision of electrical and mechanical engineering works in Hong Kong and/or Macau, which are of a similar nature as the Company; (c) the market capitalization of which ranged between HK\$100 million to HK\$2,000 million as at the Last Trading Day, determined with reference to the market capitalization of the Company during the Review Period, which ranged between approximately HK\$90 million to HK\$1,220 million based on the lowest and highest closing price recorded; and (d) the trading of shares of the subject companies were not suspended on the Last Trading Day and Latest Practicable Date (the “**Criteria**”). Companies that fall into the aforesaid Criteria but recorded net liabilities as at the latest financial year/period have been excluded for the purpose of this analysis.

Based on the Criteria, we have identified an exhaustive list of 11 comparable companies (the “**Comparable Companies**”). The table below sets out the P/E Ratio and the P/B Ratio of the Company for comparison purposes.

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Company (Stock Code)	Market capitalization as at the Last Trading Day (Note 1) (HK\$'million)	P/E Ratio (Note 2) (times)	P/B Ratio (Note 3) (times)
Chinney Alliance Group Limited (385)	238.0	4.69	0.11
Yau Lee Holdings Limited (406)	306.6	N/A	0.22
		(Note 4)	
Macau E&M Holding Limited (1408)	110.0	N/A	0.56
		(Note 4)	
SFK Construction Holdings Limited (1447)	180.0	6.48	0.50
Lap Kei Engineering (Holdings) Limited (1690)	107.3	51.80	0.80
Analogue Holdings Limited (1977)	1,274.0	9.42	0.56
Accel Group Holdings Limited (1283)	1,296.5	28.03	2.87
Man Shun Group (Holdings) Limited (1746)	315.0	N/A	2.64
		(Note 4)	
Golden Faith Group Holdings Limited (2863)	230.0	N/A	0.81
		(Note 4)	
Wing Lee Development Construction Holdings Limited (9639)	1,240.0	22.36	3.53
Prosperity Group International Limited (1421)	120.1	N/A	1.11
		(Note 4)	
	<i>Maximum</i>	51.80	3.53
	<i>Minimum</i>	4.69	0.11
	<i>Average</i>	20.46	1.25
<i>The Company</i>			
<i>Based on the closing price</i>			
<i>on the Last Trading Day</i>	206	54.18	0.97
<i>Based on the Offer Price</i>	220	57.86	1.03

Notes:

- For illustration purpose, the market capitalisation are calculated based on, where applicable, the closing price of the share of the respective Comparable Companies on the Last Trading Day and the total number of issued shares based on the then latest monthly return of the subject listed company published on the website of the Stock Exchange.
- The P/E Ratio is calculated by dividing the market capitalisation as at the Last Trading Day by the profit attributable to owners of the respective company according to their latest financial information.
- The P/B Ratio is calculated by dividing their market capitalisation as at the Last Trading Day by the net asset value attributable to owners of the respective company according to their latest financial information.
- The subject company recorded a loss attributable to owners of the company as at the latest financial year.

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It is noted from the above table that the Comparable Companies recorded P/E Ratio between approximately 4.69 times to 51.80 times with an average of approximately 20.46 times. The Company's P/E Ratio based on the Offer Price would be approximately 57.86 times which is higher than all of the Comparable Companies.

The P/B Ratio of the Comparable Companies were between approximately 0.11 times to 3.53 times with an average of approximately 1.25 times. The Company's P/B Ratio based on the Offer Price would be approximately 1.03 times which is lower than the average of the Comparable Companies.

3.5 Summary of our analysis

Notwithstanding (a) the Offer Price represents a premium of approximately 6.36% over the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day; (b) the Company's P/E Ratio based on the Offer Price would be approximately 57.86 times which is higher than all of the Comparable Companies, we consider the Offer Price to be not attractive after taking into account of (a) the closing price of the Shares increased significantly in the Second Review Period which the Offer Price is at a notable discount of approximately 79.5% to the average closing price of Shares during the Second Review Period and substantially below the closing Share price of HK\$0.60 as at the Latest Practicable Date; (b) the historical trading liquidity of the Shares has been generally low in the open market during the First Review Period, but both price and liquidity has increased since the publication of the Joint Announcement during the Second Review Period which may be attributable to market reactions to the Offer and/or prospects of the Group being controlled by the Offeror after the Offer, such level of liquidity and/or price may or may not be sustainable; (c) the Company's P/B Ratio based on the Offer Price would be approximately 1.03 times which is lower than the average of the Comparable Companies.

In summary, (i) the Shares of the Company demonstrated thin liquidity during the First Review Period; (ii) the Offer Price represents a premium to historical closing price, thereby providing an incentive for Shareholders to realise their investment; and (iii) P/E Ratio of the Company, implied by the Offer Price, are above the average of peers. Notwithstanding the aforesaid, after taken into account the recent performance of the Shares and trading liquidity which increased significantly during the Second Review Period, though potentially a temporary reaction, the Offer Price now represents a substantial discount of approximately 79.5% to the average closing price during the Second Review Period (as compared to the premium of approximately 75.0% over the average closing price during the First Review Period) and P/B Ratio of the Company, implied by the Offer Price, are below the average of peers, we consider the Offer Price to be not fair and reasonable so far as the Independent Shareholders are concerned.

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Nevertheless, the Independent Shareholders should also note that (i) there is no guarantee that the Share price will sustain at a level above the Offer Price and/or after the Offer Period; and (ii) the Independent Shareholders (regardless to their amount of shareholdings) may not be able to realise their investments in the Shares at a price higher than the Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the Offer might provide an exit alternative for the Independent Shareholders who would like to realise their investments in the Shares at the Offer Price.

RECOMMENDATION

Having considered the abovementioned principal factors and reasons for the Offer, including:

- (a) our analysis on the historical financial performance and position of the Group, which highlights ongoing challenges faced by the Group in sustaining business scale as the historical revenue has continued to decline, as discussed under paragraph headed “1. Financial information of the Group and outlook”;
- (b) the Company’s target to leverage its E&M expertise to cater for the fast-growing EV charging industry, a segment with strong potential demand yet requires extensive market penetration to differentiate from existing market participants and effectively contribute to the Group’s long-term growth;
- (c) the Offer Price represents a premium of approximately 6.36% over the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (d) after the Acquisition, the Company may be able to benefit from Mr. Yao’s profound experience in business operations, though his background may not be in the exact same line of business as the Group, he has built substantial experience and cultivated professional network in PRC and his management capabilities and client relations skills would be able to support the Group’s existing principal business, contribute meaningfully to the Company’s strategic direction and achieve sustainable long term growth, which is expected to exert positive influence to the Company’s overall performance and prospects;
- (e) the Company’s P/E Ratio based on the Offer Price would be approximately 57.86 times which is higher than all of the Comparable Companies;

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- (f) the Company's P/B Ratio based on the Offer Price would be approximately 1.03 times which is lower than the average of the Comparable Companies;
- (g) the closing price of the Shares increased significantly in the Second Review Period which the Offer Price is at a notable discount to the average closing price of Shares during the Second Review Period and substantially below the closing Share price of HK\$0.60 as at the Latest Practicable Date; and
- (h) the historical trading liquidity of the Shares has been generally low in the open market during the First Review Period, but both price and liquidity has increased since the publication of the Joint Announcement during the Second Review Period which may be attributable to market reactions to the Offer and/or prospects of the Group being controlled by the Offeror after the Offer, such level of liquidity and/or price may or may not be sustainable,

we are of the opinion that in particular taken into account of the Company may be able to benefit from Mr. Yao's profound experience in business operations after the Acquisition in supporting the existing principal business of the Group; the closing price of the Shares increased significantly in the Second Review Period and the recent closing price of the Shares indicating that acceptance of the Offer would result in Shareholders receiving substantially less in return than they would by disposing their Shares in the market, as well as the performance of the Group remained mediocre shown by the diminishing revenue, the Offer to be not fair and reasonable so far as the Independent Shareholders are concerned. The Independent Shareholders are recommended to sell their Shares in the open market instead of accepting the Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offer. Taking into account the factors above, we recommend the Independent Board Committee to recommend the Independent Shareholders not to accept the Offer. In view of the recent volatility of the closing share price during the Second Review Period, Independent Shareholders who wish to take the opportunity of the market price of the Shares to realise their investment in the Shares in the open market are reminded to closely monitor the market price and the trading liquidity of Shares during the Offer Period.

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As each individual Independent Shareholder would have different investment objectives and/or circumstances, we recommend the Independent Board Committee, to recommend the Independent Shareholders who may require advice in relation to any aspect of the Offer and/or the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they should carefully read the procedures for accepting the Offer as set out in the Composite Document, its appendices and the accompanying Form of Acceptance.

Yours faithfully
For and on behalf of
Red Sun Capital Limited
Robert Siu
Managing Director

Mr. Robert Siu is a licensed person registered with the SFC and a responsible officer of Red Sun Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 25 years of experience in the corporate finance industry.

** For identification purpose only*

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

- (a) To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Offer.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect hereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked **“SEM Holdings Limited – General Offer”** on the envelope, as soon as possible and in any event so as to reach the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or

- (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or
 - (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (d) If the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be completed and signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title, you should also write to the Registrar a letter of indemnity which, when completed in accordance with the instructions given, should be delivered to the Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

- (e) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Offeror and/or Lego Securities and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.
- (f) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code) and the Registrar has recorded that the Form of Acceptance and any relevant documents as required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if that/those share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (f)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (g) If the Form of Acceptance is executed by a person other than the registered Shareholders, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.

- (h) In Hong Kong, seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Offeror to the relevant Shareholders on the acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (i) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares will be given.

2. SETTLEMENT OF THE OFFER

- (a) Provided that a valid Form of Acceptance and the relevant certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares are complete and in good order in all respects and have been received by the Registrar before the close of the Offer, a cheque for the amount (rounding up to the nearest cent) due to each of the Independent Shareholders who accepts the Offer less seller's ad valorem stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of the duly completed acceptances of the Offer and all relevant documents of title which render such acceptance complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.
- (b) Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer (save with respect to the payment of seller's ad valorem stamp duty), without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such accepting Independent Shareholder.
- (c) Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) In order to be valid for the Offer, the Form of Acceptance must be received by the Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive.
- (b) The Offeror and the Company will jointly publish an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.
- (c) If the Offer is extended or revised, the Offeror and the Company will jointly publish an announcement on the Stock Exchange's website, and the announcement of such extension or revision will state the next closing date or that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Offer is closed to the Independent Shareholders who have not accepted the Offer.
- (d) If, in the course of the Offer, the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer will be kept open for at least fourteen (14) days after the date of the revised Offer document.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the closing date of the Offer as so extended.

4. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold Shares as nominees on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

5. ANNOUNCEMENT

- (a) By 6:00 p.m. (or such later time as the Executive may in exceptional circumstances permit) on the Closing Date, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must post an announcement in accordance with the requirements of the Listing Rules on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating, amongst other information required under Rule 19.1 of the Takeovers Code, whether the Offer has been revised, extended, or has expired. The announcement will state the total number of Shares and rights over Shares:
 - (i) for which acceptances of the Offer have been received;
 - (ii) held, controlled or directed by the Offeror and/or parties acting in concert with it before the Offer Period; and
 - (iii) acquired or agreed to be acquired during the Offer Period by the Offeror and/or parties acting in concert with it.

The announcement must include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or parties acting in concert with it have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement must also specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.

- (b) In computing the total number of Shares represented by acceptances as of the Closing Date, only valid acceptances that are in all respects complete, in good order and fulfill the acceptance conditions set out in this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive, shall be included.
- (c) As required under the Takeovers Code, all announcements in relation to the Offer will be made in accordance with the requirements of the Takeovers Code and the Listing Rules, where appropriate.

6. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the sub-paragraph (b) below.
- (b) In the circumstances set out in Rule 19.2 of the Takeovers Code (which is to the effect that if the Offeror is unable to comply with any of the requirements of making announcements relating to the Offer as described under the paragraph headed “5. Announcements” above), the Executive may require that acceptors of the Offer be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days after the Offer is withdrawn, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance to the relevant Independent Shareholders at their own risks.

7. OVERSEAS SHAREHOLDERS

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, the Overseas Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

The Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay.

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that all applicable laws and requirements have been complied with and such Overseas Shareholder is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. The Overseas Shareholders should consult their professional advisers if in doubt. Based on the register of members of the Company, as at the Latest Practicable Date, there was no Overseas Shareholder.

8. TAXATION ADVICE

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accept responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

9. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Company, the Offeror and parties acting in concert with it, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser and any of their respective directors nor the Registrar or other parties involved in the Offer or any of their respective agents accept any liability for any loss in postage, delay in transmission or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.

- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, Lego Securities, Lego Corporate Finance and/or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror and Lego Securities that the Offer Shares are sold to the Offeror free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.
- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.
- (h) Any Independent Shareholders accepting the Offer will be responsible for payment of any other transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (j) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (k) All acceptance, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (l) The English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation in case of inconsistency.

- (m) In making their decisions, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror and parties acting in concert with it, the Company, Lego Securities, Lego Corporate Finance, the Independent Financial Adviser and the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.
- (n) The Offer is made in accordance with the Takeovers Code.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of the audited financial information of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 as extracted from the Company's annual reports for the years ended 31 December 2022, 2023 and 2024, respectively, and the unaudited financial information of the Group for the six months ended 30 June 2025 as extracted from the Company's interim report for the six months ended 30 June 2025.

	For the six months ended 30 June 2025 (unaudited) <i>HK\$'000</i>	For the year ended 31 December 2024 (audited) <i>HK\$'000</i>	2023 (audited) <i>HK\$'000</i>	2022 (audited) <i>HK\$'000</i>
Revenue	21,545	91,707	258,894	281,333
Cost of sales	(17,761)	(68,186)	(239,382)	(258,183)
Gross profit	3,784	23,521	19,512	23,150
Other income, gain and losses, net	868	1,776	(1,625)	1,579
Administrative expenses	(10,551)	(23,348)	(22,053)	(17,555)
Reversal of/(impairment losses) impairment loss under expected credit loss model, net	6,528	2,081	(3,748)	(12,499)
Finance costs	(94)	(249)	(274)	(251)
Profit/(loss) before taxation	535	3,781	(8,188)	(5,576)
Income tax (expenses)/credit	(315)	21	218	(1,157)
Profit/(loss) and total comprehensive income/(expense) for the period/year attributable to owner of the Company	220	3,802	(7,970)	(6,733)
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Earnings/(loss) per share:				
– Basic (<i>HK\$ cents</i>)	0.01	0.19	(0.40)	(0.34)

Assets and liabilities

	As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000	2023 (audited) HK\$'000	2022 (audited) HK\$'000
Non-current Assets	28,636	29,609	31,405	36,163
Current Assets	216,280	227,991	228,507	232,293
Current Liabilities	(27,205)	(39,726)	(45,132)	(44,575)
Net Current Assets	189,075	188,265	183,375	187,718
Total Assets less Current Liabilities	217,711	217,874	214,780	223,881
Non-current Liabilities	(4,547)	(4,930)	(5,638)	(6,769)
Net Assets	213,164	212,944	209,142	217,112

No dividend was paid or proposed by the Company during each of the three years ended 31 December 2022, 2023 and 2024, and for the six months ended 30 June 2025.

There has been no change in the Group's accounting policies which would result in the figures in its consolidated financial statements for each of the three financial years ended 31 December 2022, 2023 and 2024, and for the six months ended 30 June 2025, being not comparable to a material extent.

The consolidated financial statements of the Group for each of the two years ended 31 December 2022 and 2023 were audited by Moore Stephens CPA Limited and the consolidated financial statements of the Group for the year ended 31 December 2024 were audited by Rongcheng (Hong Kong) CPA Limited (formerly known as CL Partners CPA Limited). The consolidated financial statements of the Group for the years ended 31 December 2022, 2023 and 2024, and the unaudited condensed consolidated financial statement of the Company for the six months ended 30 June 2025 did not contain any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern. Save as disclosed above, there were no items of any income or expense which are material in respect of the consolidated financial results of the Company for each of the three years ended 31 December 2022, 2023 and 2024, and the unaudited condensed consolidated financial statement of the Company for the six months ended 30 June 2025.

2. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of profit or loss, the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, significant accounting policies, together with the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2025 (the “**2025 Interim Financial Statements**”) have been set out on pages 17 to 32 of the 2025 interim report of the Company for the six months ended 30 June 2025 (the “**2025 Interim Report**”) which was posted on 26 September 2025 on the website of the Stock Exchange (<http://www.hkexnews.hk>). Please also see below a direct link to the 2025 Interim Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0926/2025092600817.pdf>

The audited consolidated financial results of the Group for the year ended 31 December 2024 (the “**2024 Financial Statements**”) have been set out on pages 102 to 183 of the 2024 annual report of the Company for the year ended 31 December 2024 (the “**2024 Annual Report**”) which was posted on 16 April 2025 on the website of the Stock Exchange (<http://www.hkexnews.hk>). Please also see below a direct link to the 2024 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0416/2025041600367.pdf>

The audited consolidated financial results of the Group for the year ended 31 December 2023 (the “**2023 Financial Statements**”) have been set out on pages 101 to 187 of the 2023 annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”) which was posted on 23 April 2024 on the website of the Stock Exchange (<http://www.hkexnews.hk>). Please also see below a direct link to the 2023 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0423/2024042300748.pdf>

The audited consolidated financial results of the Group for the year ended 31 December 2022 (the “**2022 Financial Statements**”) have been set out on pages 100 to 175 of the 2022 annual report of the Company for the year ended 31 December 2022 (the “**2022 Annual Report**”) which was posted on 24 April 2023 on the website of the Stock Exchange (<http://www.hkexnews.hk>). Please also see below a direct link to the 2022 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0424/2023042401129.pdf>

The 2025 Interim Financial Statements, the 2024 Financial Statements, the 2023 Financial Statements and the 2022 Financial Statements (but not any other part of the 2025 Interim Report, the 2024 Annual Report, the 2023 Annual Report or the 2022 Annual Report in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS STATEMENT

At the close of business on 31 October 2025, being the latest practicable date for the purpose of this indebtedness statement prior to printing of this Composite Document, the Group had the following indebtedness:

1. Secured and unguaranteed bank borrowings of approximately HK\$4,705,000 which were secured by the Group's owned property with carrying amount of approximately HK\$14,799,000; and
2. Lease liabilities amounting to approximately HK\$853,000 which were unsecured and unguaranteed, and lease liabilities amounting to approximately HK\$292,000 which were secured by rental deposits amounting to approximately HK\$29,000 and unguaranteed.

Contingent liabilities

The Group did not have any material contingent liabilities as at 31 October 2025.

Save as disclosed above, at the close of business on 31 October 2025, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

4. MATERIAL CHANGES

The Directors confirm that there has been no material change in the financial or trading position or outlook of the Group subsequent to 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Offeror and the parties acting in concert with it), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement contained in this Composite Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company of HK\$0.01 each as at the Latest Practicable Date were as follows:

HK\$

Authorised:

5,000,000,000 Shares of HK\$0.01 each	50,000,000.00
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Issued:

2,000,000,000 Shares of HK\$0.01 each	20,000,000.00
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As at the Latest Practicable Date, save for 2,000,000,000 Shares in issue, the Company did not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares.

All issued Shares rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and return of capital.

As at the Latest Practicable Date, the Company has not issued any Shares since 31 December 2024, the date to which the latest audited financial statements of the Group were made up.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought on any other stock exchange.

3. MARKET PRICE

The table below shows the closing prices of the Shares as quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing Price per Share (HK\$)
30 June 2025	0.055
31 July 2025	0.061
29 August 2025	0.067
30 September 2025	0.07
31 October 2025	0.076
25 November 2025 (the Last Trading Day)	0.103
	Suspended
30 November 2025	Trading (Note)
24 December 2025 (the Latest Practicable Date)	0.600

Note: Trading of the Shares was suspended from 26 November 2025 to 3 December 2025 pending the release of the Joint Announcement.

During the Relevant Period, (a) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.610 per Share on 9 December 2025; and (b) the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.053 per Share on 3 June 2025.

4. DISCLOSURE OF INTERESTS

(i) Interests and short positions in the securities of the Company and its associated corporations of the Directors and chief executive

As at the Latest Practicable Date, none of the Directors and their respective associates nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required (a) 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 short positions which they were deemed or taken to have under the provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange; or (d) to be disclosed in this Composite Document pursuant to the Takeovers Code.

(ii) Interests and short positions of substantial Shareholders

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange:

Name of Shareholders	Capacity/Nature of interest	No. of Shares held/interested in	Approximate percentage of the total issued share capital of the Company
The Offeror	Beneficial owner (<i>Note 1</i>)	1,500,000,000	75%
Mr. Yao	Interest of a controlled corporation (<i>Note 1</i>)	1,500,000,000	75%

Note:

1. The Offeror is beneficially and wholly owned by Mr. Yao, who is also the sole director of the Offeror. Therefore, Mr. Yao is deemed, or taken to be, interested in 1,500,000,000 Shares held by the Offeror for the purpose of the SFO.

Save as disclosed above, so far as is known to the Directors, as at the Latest Practicable Date, no person (other than the Directors and the chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or the underlying Shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange.

5. ADDITIONAL DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, none of the Directors was interested within the meaning of Part XV of the SFO in the Shares or any warrants, options, convertible securities or derivatives in respect of any Shares.
- (b) As at the Latest Practicable Date, none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer.
- (c) During the Relevant Period and as at the Latest Practicable Date, none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” in the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (but excluding any exempt principal trader and exempt fund managers), had owned or controlled or dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.
- (d) During the Offer Period and up to the Latest Practicable Date, save for the Sale and Purchase Agreement and the Subscription, there was no person who had arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of “associate” under the Takeovers Code, and no such person had owned, controlled or dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (e) During the Offer Period and up to the Latest Practicable Date, no Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and no such person had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (f) As at the Latest Practicable Date, none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares.

- (g) During the Relevant Period, saved for the disposal of the Sale Shares by the Vendor pursuant to the Sale and Purchase Agreement and the Subscription, neither the Company nor any Directors had dealt for value in any Shares, convertible securities, warrants, options, or derivatives in respect of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

- (i) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (ii) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;
- (iii) save for the Sale and Purchase Agreement, no material contracts had been entered into by the Offeror in which any Director had a material personal interest; and
- (iv) save for the Subscription, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder and (2) the Company, its subsidiaries or associated companies.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract with the Company or any of its subsidiaries or associated companies which: (a) (including both continuous and fixed term contracts) had been entered into or amended within six months before the commencement of the Offer Period; (b) was a continuous contract with a notice period of 12 months or more; (c) was a fixed term contract with more than 12 months to run irrespective of the notice period; or (d) was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

8. MATERIAL CONTRACTS

Save as the Subscription Agreement, the Group did not enter into any contract which are or may be material other than those entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries within two years immediately preceding the commencement of the Offer Period and up to and including the Latest Practicable Date.

9. LITIGATION

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance were known to the Directors to be pending or threatened against any member of the Group.

10. EXPERT'S QUALIFICATION AND CONSENT

The following is the name and qualification of the expert whose letter, opinion or advice is contained or referred to in this Composite Document:

Name	Qualification
Red Sun Capital Limited	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer

As at the Latest Practicable Date, Red Sun Capital Limited has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

11. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents are available on display (i) on the website of the Company (www.semhld.com); and (ii) on the website of the SFC (www.sfc.hk), from the date of this Composite Document up to and including the Closing Date or the date on which the Offer lapse or are withdrawn (whichever is earlier):

- (i) the second amended and restated memorandum and articles of association of the Company;
- (ii) the 2025 Interim Report, 2024 Annual Report, the 2023 Annual Report and the 2022 Annual Report;
- (iii) the letter from the Board, the text of which is set out in this Composite Document;
- (iv) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in this Composite Document;
- (v) the letter of advice from the Independent Financial Adviser, the text of which is set out in this Composite Document;

- (vi) the written consents referred to under the paragraph headed “10. Expert’s Qualification and Consent” of this Appendix;
- (vii) the Subscription Agreement; and
- (viii) this Composite Document and the accompanying Forms of Acceptance.

12. MISCELLANEOUS

- (i) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman.
- (ii) The principal place of business of the Company in Hong Kong registered under Part 16 of the Companies Ordinance is situated at Unit 1, 4/F Chai Wan Industrial City Phase II, 70 Wing Tai Road, Chai Wan, Hong Kong.
- (iii) The company secretary of the Company is Mr. Wan Ying Pang, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (iv) The Company’s principal share registrar and transfer office is Conyers Trust Company (Cayman) Limited, situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman.
- (v) The branch share registrar and transfer of the Company in Hong Kong is Tricor Investor Services Limited, situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (vi) As at the Latest Practicable Date, the Board comprised Mr. Wan Man Keung and Mr. Wun Chi Wai 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.
- (vii) The registered office of the Independent Financial Adviser is situated at Room 2703, 27/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong.

The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese text in case of inconsistency.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Offeror and the Group.

The sole director of the Offeror (being Mr. Yao) accepts full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Vendor and the Group) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS AND SECURITIES OF THE COMPANY

As at the Latest Practicable Date, details of interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company owned, controlled or directed by the Offeror, Mr. Yao and the parties acting in concert with it were as follows:

Name	Capacity/Name of Interest	As at the Latest Practicable Date	
		Number of ordinary shares/underlying shares	Percentage of shareholding (%)
Offeror	Beneficial owner	1,500,000,000 (Note 1)	75.0
	Convertible Bonds	400,000,000 (Notes 2 and 3)	20.0

Notes:

- As at the Latest Practicable Date, the Offeror, a company incorporated in the British Virgin Islands, is the beneficial owner of 1,500,000,000 Shares, representing 75% shareholding interests in the Company. Under the SFO, Mr. Yao, being the sole shareholder and director of the Offeror, is deemed to be interested in all the Shares interested by the Offeror.

2. Pursuant to the Subscription Agreement, the Offeror conditionally agreed to subscribe for the Convertible Bonds in the principal amount of HK\$44.0 million which may be converted into 400,000,000 Conversion Shares at the initial Conversion Price of HK\$0.11 per Conversion Share upon exercise of the conversion rights under the Convertible Bonds. Under the SFO, Mr. Yao, being the sole shareholder and director of the Offeror, is deemed to be interested in the underlying Shares interested by the Offeror by virtue of the Subscription Agreement.
3. This refers to the number of underlying Shares under the Convertible Bonds.

Save for the above, the Offeror, Mr. Yao and parties acting in concert with any one of them did not have any other interest in any Shares, warrants, options, derivatives or other securities carrying conversion of subscription rights into Shares.

As at the Latest Practicable Date, save for the 1,500,000,000 Shares, being the Sale Shares, none of the Offeror, Mr. Yao and parties acting in concert with any one of them had any interest in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Save for the Acquisition and entering into of the Subscription Agreement by the Offeror, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them has dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares or other derivatives in respect of securities in the Company during the Relevant Period and up to the Latest Practicable Date.

The Offeror confirms that, as at the Latest Practicable Date:

- (a) save for the Sale Shares that the Offeror is interested in, none of the Offeror, Mr. Yao and/or parties acting in concert with any of them holds, owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives in respect of such securities of the Company;
- (b) save for the Subscription, there is no outstanding derivative, and no agreement or arrangement, in respect of the securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror, Mr. Yao and/or parties acting in concert with any of them;
- (c) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (d) there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;

- (e) none of the Offeror, Mr. Yao and/or parties acting in concert with any of them has received any irrevocable commitment(s) to accept or reject the Offer;
- (f) none of the Offeror, Mr. Yao and/or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (g) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, Mr. Yao and/or parties acting in concert with any of them on the one hand, and the Vendor and/or parties acting in concert with it on the other hand;
- (h) save for the Subscription, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2) the Offeror, Mr. Yao and/or party acting in concert with any of them; and
- (i) save for the consideration for the Sale Shares paid by the Offeror to the Vendor pursuant to Sale and Purchase Agreement (i.e. HK\$165.0 million), there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, Mr. Yao or parties acting in concert with any of them to the Vendor or any party acting in concert with it in connection with the sale and purchase of the Sale Shares.
- (j) there is no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer or the Sale Shares would be transferred, charged or pledged to any other persons;
- (k) there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or parties acting in concert with it on one hand, and any Directors, recent Directors, Shareholders or recent Shareholders on the other hand, having any connection with or dependence upon the Offer; and
- (l) no benefit (other than statutory compensation required under the applicable laws) was or would be given to any Directors as compensation for loss of office or otherwise in connection with the Offer.

4. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the experts whose letter, opinion or advice is contained or referred to in this Composite Document:

Name	Qualification
Lego Corporate Finance	a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
Lego Securities	a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Offeror

Each of the above experts has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter, advice and/or references to its name, in the form and context in which they appear herein.

5. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (a) the last day on which trading took place in each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Closing price per Share HK\$
30 June 2025	0.055
31 July 2025	0.061
29 August 2025	0.067
30 September 2025	0.070
31 October 2025	0.076
25 November 2025 (Last Trading Day)	0.103
30 November 2025	Suspended Trading (Note)
24 December 2025 (Latest Practicable Date)	0.600

Note: Trading of the Shares was suspended from 26 November 2025 to 3 December 2025 pending the release of the Joint Announcement.

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.610 per Share on 9 December 2025 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.053 per Share on 3 June 2025.

6. MISCELLANEOUS

- (a) The members of the Offeror's concert group are the Offeror and Mr. Yao.
- (b) The registered office of the Offeror is situated at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.
- (c) The main business address of Lego Securities is situated at Room 1506, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (d) The main business address of Lego Corporate Finance is situated at Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (e) The Offeror is a company incorporated in the British Virgin Islands with limited liability on 27 May 2024.
- (f) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are published (i) on the website of the SFC (www.sfc.hk) and (ii) on the website of the Company (www.semhld.com) from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum of association and articles of association of the Offeror;
- (b) the letter from Lego Securities, the text of which is set out in this Composite Document; and
- (c) the written consents referred to in the paragraph headed "4. Qualifications and Consents of Experts" in this Appendix IV.