

華富建業證券有限公司

QUAM SECURITIES LIMITED

於香港註冊成立之有限公司 Incorporated in Hong Kong with limited liability

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7 November 2025

To the Independent Shareholders:

Dear Sir/Madam,

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

INTRODUCTION

Reference is made to the Joint Announcement.

The Sale and Purchase Agreement and the Offer

As disclosed in the Joint Announcement, on 22 September 2025 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company as at the Latest Practicable Date, free from all encumbrances, for a total cash Consideration of HK\$122,455,200, equivalent to approximately HK\$0.1680 per Sale Share.

Completion took place on the Completion Date, being 23 September 2025. Pursuant to the Sale and Purchase Agreement, the Consideration was settled in the following manner:

- (a) a sum of HK\$62,455,200, being part payment of the Consideration, was satisfied by the Offeror in cash at Completion; and
- (b) the remaining balance of the Consideration in the amount of HK\$60,000,000 (the **"Remaining Balance"**) was settled upon Completion by the delivery of the promissory note issued by the Offeror in favour of the Vendor in the principal amount of the Remaining Balance (the **"Promissory Note"**). Under the Promissory Note, the Offeror shall repay the outstanding Remaining Consideration on the date falling twenty-four (24) months after the date of the Promissory Note (i.e. two (2) years after the Completion Date). The Promissory Note carries interest at the rate of 8% per annum.

The total consideration for the Sale Shares is HK\$132,055,200, after taking into the consideration of the interest accruing on the Remaining Consideration for a period of two years after the Completion Date. As the Vendor agreed to receive deferred payment by agreeing to the full settlement of the Consideration subsequent to Completion as abovementioned, the Vendor is treated as providing financing or financial assistance to the Offeror and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.

Immediately prior to Completion, none of the Offeror, Mr. Gan, nor any parties acting in concert with any of them (save for the Vendor) owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion and as at the Latest Practicable Date, the Offeror, Mr. Gan and parties acting in concert with any of them are interested in an aggregate of 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer will be made to the Independent Shareholders.

Purpose of this letter

This letter forms part of this Composite Document and sets out, among other things, principal terms of the Offer, together with the information on the Offeror and the intention of the Offeror in relation to the Group. Further details of the terms and the procedures of acceptance of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” to the Independent Shareholders and the “Letter from the Independent Financial Adviser” to the Independent Board Committee as contained in this Composite Document.

THE OFFER

Principal terms of the Offer

Quam 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:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price of HK\$0.1812 per Offer Share is equivalent to the Consideration payable by the Offeror (i.e. HK\$122,455,200) together with the interest accruing on the Remaining Consideration for a period of two years after the Completion Date (i.e. $\text{HK\$}60,000,000 \times 8\% \times 2 = \text{HK\$}9,600,000$), divided by the number of the Sale Shares (i.e. 728,880,000 Shares).

The Offer is unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it.

As at the Latest Practicable Date, 1,000,000,000 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or other relevant securities which are convertible or exchangeable into Shares.

The Company confirms that, as at the Latest Practicable Date, it has not declared any dividend which is not yet paid and it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

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

Offer Price

The Offer Price of HK\$0.1812 per Offer Share represents:

- (i) a discount of approximately 61.45% to the closing price of HK\$0.4700 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 45.91% to the closing price of HK\$0.3350 per Share as quoted on the Stock Exchange on 22 September 2025, being the Last Trading Day;
- (iii) a discount of approximately 51.55% to the average closing price of HK\$0.3740 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 54.93% to the average closing price of HK\$0.4020 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 54.90% to the average closing price of approximately HK\$0.4018 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (vi) a discount of approximately 33.46% to the audited net asset value per Share of approximately HK\$0.2723 as at 31 March 2025, calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 31 March 2025 of approximately HK\$272,348,000, divided by a total of 1,000,000,000 issued Shares as at the Latest Practicable Date.

Highest and lowest Share prices

The highest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.750 on 3 October 2025.

The lowest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.300 on 11 July 2025.

Total value of the Offer

As at the Latest Practicable Date, the Company has 1,000,000,000 Shares in issue. On the basis of the Offer Price of HK\$ \$0.1812 per Offer Share, the total issued share capital of the Company is valued at HK\$181,200,000. The Offer is made to the Independent Shareholders.

Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date and up to the close of the Offer, and excluding the 728,880,000 Shares held by the Offeror and parties acting in concert with it immediately after Completion, the number of Shares subject to the Offer is 271,120,000. Based on the Offer Price of HK\$0.1812 per Offer Share, the total consideration of the Offer would be HK\$49,126,944 in the event that the Offer is accepted in full.

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 as at the date of this Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

Financial resources available for the Offer

The maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$49,126,944, assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer.

The Offeror intends to finance the consideration payable under the Offer in full by its own internal resources. Aurelius Corporate, 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 payable upon full acceptance of the Offer.

Effect of accepting the Offer

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

By accepting the Offer, the Independent Shareholders will be deemed to warrant that all the Offer Shares to be sold by such person under the Offer are fully paid and free from all encumbrances and together with all rights and benefits attaching thereto as at the date of this Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Independent Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which are included in the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” as contained in this Composite Document.

Payment

Payment in cash in respect of acceptances of the Offer, net of seller's Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of a duly completed and valid acceptance of the Offer. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

Hong Kong Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances 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 acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the 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, Mr. Gan and parties acting in concert with any of them, the Company, Quam Securities, Aurelius Corporate, Merdeka, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, advisers, agents or associates 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.

Overseas Shareholders

The Offer is made to all Independent Shareholders, including the Overseas Shareholders (if any). The making and the implementation of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be subject to the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable requirements and restrictions in their own jurisdictions, and where necessary, seek independent legal advice in respect of the Offer. It is the responsibility of Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by the accepting Overseas Shareholders in respect of such jurisdictions).

Any acceptance of the Offer by any Independent Shareholders will be deemed to constitute a representation and warranty from such Independent Shareholders to the Offeror that the local laws and requirements have been complied with . The Overseas Shareholders should consult their professional advisers if in doubt.

As at the Latest Practicable Date, there are no Overseas Shareholders of the Company identified .

INFORMATION ON THE GROUP

Your attention is also drawn to the information on the Group set out in the section headed “Information on the Group” in the “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 BVI with limited liability and is principally engaged in investment holding. The Offeror is wholly and beneficially owned by Mr. Gan as at the Latest Practicable Date.

Mr. Gan, aged 51, is a seasoned corporate executive with extensive experience in corporate leadership, specialising in the areas of business consultancy and investment. He is the chairman of the board of directors of GM Vision Investment Co., Limited, a Cambodia-based company principally engaged in land investment and providing consultancy services related to investments in Cambodia.

Mr. Gan has around 8 years' experience in land investment in Cambodia. With such experience in land investment and track record of operating businesses in Cambodia, Mr. Gan has provided consultancy service for setting up of company, licensing and taxation, etc. for companies who has participated and/or would like to participate in the Cambodian market since 2022. As a chairman of the board of directors of GM Vision Investment Co., Limited, Mr. Gan also possesses managerial acumen, overseeing company operations and formulating strategic business initiatives.

As the Group undertakes construction project in Cambodia, Mr. Gan's profound knowledge, business expertise and established network in land investment and consultancy services in Cambodia are expected to provide valuable complementary expertise, resources and customer networks to enhance the Group's existing operations in Cambodia.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Following the close of the Offer, the Offeror intends that the Group will continue the principal business of the Group and will maintain the listing status of the Company. The Offeror will conduct a review of the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. As at the Latest Practicable Date, the Offeror has no intention, understanding, negotiation or arrangement to downsize, cease or dispose of any of the existing businesses of the Group.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

As at the Latest Practicable Date, the Board is comprised of three executive Directors and four independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed 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. 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.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

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 false market exists or may exist in the trading of the Shares; or
- there are insufficient Shares in public hands to maintain an orderly market;

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

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror 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.

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

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.

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.

All documents and remittances to be sent to the Independent Shareholders will be sent to them by ordinary post at their own risk. Such documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company and in case of joint holders, to the Independent Shareholder whose name appears first in the said register of members. None of the Offeror, Mr. Gan and parties acting in concert with any of them, the Company, Aurelius Corporate, Quam Securities, Merdeka, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer 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 read carefully the "Letter from the Board", the "Letter from the Independent Board Committee" and the letter of advice by the Independent Financial Adviser to the Independent Board Committee in respect of the Offer as set out in the "Letter from the Independent Financial Adviser" as contained in this Composite Document in relation to their recommendations and/or advice regarding the Offer. If you are in doubt about your position in connection with the Offer, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Yours faithfully,
For and on behalf of
Quam Securities Limited



Mr. Chiu Chun Kit, Calvin
Responsible Officer