

Executive Directors:

Mr. Tsang Chiu Kwan
(Chairman and Chief Executive Officer)
Mr. Lau Ka Ho

Independent Non-executive Directors:

Mr. So Chun Man
Mr. Chen Yeung Tak
Mr. Lai Ming Ho

Registered Office:

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman
KY1-1108, Cayman Islands

*Headquarters and Principal Place
of Business in Hong Kong:*

Unit 1323A, Level 13
Landmark North
39 Lung Sum Avenue
Sheung Shui
the New Territories, Hong Kong

21 January 2025

To the Offer Shareholders:

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFER BY
GET NICE SECURITIES LIMITED FOR AND ON BEHALF OF
ASIA GENERAL INDUSTRIES LIMITED TO ACQUIRE
ALL THE ISSUED SHARES OF GAIN PLUS HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY ASIA GENERAL INDUSTRIES LIMITED)**

1. INTRODUCTION

Reference is made to the Joint Announcement.

The Board was informed by the Offeror on 10 December 2024 (after trading hours) that, the Offeror and the Vendors entered into the Sale and Purchase Agreement pursuant to which the Vendor A and Vendor B had agreed to sell and the Offeror had agreed to purchase 104,625,000 Shares and 15,625,000 Shares respectively, representing approximately 28.13% and 4.20% respectively and an aggregate of approximately 32.33% of the total issued share capital of the Company, at a consideration of HK\$84,327,750 for Sale Shares A and HK\$12,593,750 for Sale Shares B, which is equivalent to HK\$0.806 per Sale Share.

Immediately prior to the completion of the Acquisition on 12 December 2024, none of the Offeror and the parties acting in concert with it (excluding Mr. Hung, who is presumed to be acting in concert with the Offeror) were interested in any Shares. Immediately after the completion of the Acquisition, the Offeror and parties acting in concert with it (excluding Mr. Hung) are interested in 120,250,000 Shares, representing approximately 32.33% of the total issued share capital of the Company.

Taking into account the 14,524,000 Shares (representing approximately 3.90% of the total issued share capital of the Company) owned by Mr. Hung, the Offeror and the parties acting, and presumed to be acting in concert with it own an aggregate of 134,774,000 Shares, representing approximately 36.23% of the total issued share capital of the Company, immediately after the completion of the Acquisition.

Accordingly, pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory conditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror).

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other matters, (i) information relating to the Group, the Offeror and the Offer; (ii) a letter from Get Nice containing, among other things, details of the Offer; (iii) a letter of recommendation from the Independent Board Committee containing its recommendations to the Independent Shareholders in relation to the Offer; (iv) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee on the terms of the Offer and as to their acceptance; and (v) the Form of Acceptance.

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

2. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Mr. So Chun Man, Mr. Chen Yeung Tak and Mr. Lai Ming Ho, each of whom being an independent non-executive Director who has no relationship with the Offeror and has no direct and indirect interest in the Offer, has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders in respect of the Offer, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

With the approval of the Independent Board Committee, Grande Capital Limited has been appointed by the Company to act as the Independent Financial Adviser pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in respect of the terms of the Offer, and in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

3. THE OFFER

As disclosed in the “Letter from Get Nice” in this Composite Document, Get Nice is making the Offer, for and on behalf of the Offeror, to acquire all the Offer Shares on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

For each Offer Share HK\$0.806 in cash

Further details of the Offer are set out in the “Letter from Get Nice” and Appendix I to this Composite Document and the accompanying Form of Acceptance, which together set out the terms and conditions of the Offer and certain related information.

The Board noted that the price and trading volume of the Shares has increased significantly upon the publication of the Joint Announcement. Having made reasonable enquiries, save for the Offer, the Board confirms that it is not aware of any information or reasons for such movements in price or trading volume. On the Last Trading Day, the closing price of the Share is HK\$2.02 with nil trading volume, while as at the Latest Practicable Date, the closing price of the Share is HK\$9.78 and the trading volume is 540,000 Shares. In this connection, the Board would like to remind the Independent Shareholders to closely monitor the market price and liquidity of the Shares during the Offer Period.

4. OFFEROR’S INTENTION ON THE COMPANY

Your attention is drawn to the paragraphs headed “The Offeror’s intention on the Group” and “Proposed change to the board composition of the Company” in the “Letter from Get Nice” in this Composite Document which set out the intention of the Offeror regarding the Group.

The Board is aware of the Offeror’s intentions in respect of the Group and its employees and is willing to cooperate with the Offeror and act in the best interests of the Company and the Shareholders as a whole.

5. INFORMATION OF THE OFFEROR

Your attention is drawn to the paragraph headed “Information on the Offeror” in the “Letter from Get Nice” in this Composite Document for information relating to the Offeror.

6. INFORMATION OF THE GROUP

The Company is an investment holding company and was incorporated in the Cayman Islands with limited liability and its Shares was listed on GEM on 13 February 2018 and the listing of Shares were transferred to the Main Board on 30 December 2019.

The Group is an established construction contractor in Hong Kong founded in 2004, principally engaged in subcontracting works providing repair, maintenance, addition and alteration services (“**RMAA Services**”) and building construction services. Its RMAA Services include general upkeep, restoration and

improvement of existing facilities and components of buildings and their surroundings; and its building construction services primarily consist of building works and civil works for new buildings such as columbarium blocks, demolition of staff quarters, road enhancement works and lift tower.

Shareholding structure of the Company

As at the Latest Practicable Date, there were 372,000,000 Shares in issue. The Company did not have any outstanding warrants, options, derivatives or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code).

The table below sets out the shareholding structure of the Company immediately (i) before the completion of the Acquisition and (ii) after the completion of the Acquisition and as at the Latest Practicable Date:

Shareholders	Immediately prior to the completion of the Acquisition		Immediately after the completion of the Acquisition and as at the Latest Practicable Date	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Offeror	–	–	120,250,000	32.33
Mr. Hung (Note 1)	<u>14,524,000</u>	<u>3.90</u>	<u>14,524,000</u>	<u>3.90</u>
Sub-total of the Offeror and the parties acting, and presumed to be acting, in concert with it	14,524,000	3.90	134,774,000	36.23
Vendor A (Note 2)	104,625,000	28.13	–	–
Giant Winchain Limited (Note 3)	62,775,000	16.88	62,775,000	16.88
Vendor B (Note 4)	15,625,000	4.20	–	–
Other public Shareholders	<u>174,451,000</u>	<u>46.89</u>	<u>174,451,000</u>	<u>46.89</u>
Total	<u>372,000,000</u>	<u>100.00%</u>	<u>372,000,000</u>	<u>100.00</u>

Notes:

1. Mr. Hung is presumed to be acting in concert with the Offeror by virtue of class (5) and (9) of the definition of acting in concert in the Takeovers Code. Mr. Hung, who is the ultimate controlling shareholder of Get Nice, being the financial adviser and facility provider to the Offeror in respect of the Offer and the agent making the Offer on behalf of the Offeror, is presumed to be acting in concert with the Offeror until the close or lapse of the Offer. Other than this, Get Nice and Mr. Hung, being its ultimate beneficial owner, do not hold any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.
2. Vendor A is wholly and beneficially owned by Mr. Tsang Chiu Kwan, being the Chairman, the chief executive officer and an executive Director of the Company.
3. Giant Winchain Limited is wholly and beneficially owned by Mr. Lai Wai Lam Ricky. Save as being a substantial Shareholder (as defined in the Listing Rules), each of Giant Winchain Limited and Mr. Lai Wai Lam Ricky is a third party independent of and not connected with either the Company or any of its connected persons and the Offeror and Mr. Wong or any parties acting in concert with any of them.
4. Vendor B and its ultimate beneficial owner are third parties independent of, and not connected with, either the Company or any of its connected persons.
5. Certain percentage figures included in this table have been subject to rounding adjustments. Figures shown as total may not be an arithmetic aggregation of the figures preceding them.

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

7. PUBLIC FLOAT AND LISTING STATUS OF THE COMPANY

Your attention is drawn to the paragraph headed "Public float and maintenance of the listing status of the Company" in the "Letter from Get Nice" in this Composite Document.

8. FURTHER INFORMATION

You are advised to read the "Letter from Get Nice" in this Composite Document and the accompanying Form of Acceptance for information relating to the Offer and the acceptance and settlement procedures of the Offer. Your attention is also drawn to the additional information contained in the appendices to this Composite Document.

9. RECOMMENDATION

Your attention is drawn to (i) "Letter from the Independent Board Committee" as set out on pages 22 to 23 of this Composite Document, which contains the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (ii) "Letter from the Independent Financial Adviser" as set out on pages 24 to 46 of this Composite Document, which sets out the advice and recommendation of the Independent Financial Adviser to the Independent Board Committee in relation to the Offer and the principal factors considered by it before arriving at its recommendation. You are urged to read both letters and the other information contained in this Composite Document carefully before taking any action in respect of the Offer.

In considering what action to take in response to the Offer, you should also consider your own tax positions, if any, and in case of doubt, consult your professional advisers.

By order of the Board of
Gain Plus Holdings Limited

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Tsang Chiu Kwan'.

Tsang Chiu Kwan
Chairman and Chief Executive Officer