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亞證地產有限公司

ASIASEC PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 271)

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR 2025

The board of directors (“Board”) of Asiasec Properties Limited (“Company”) announces that the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31st December, 2025 with the comparative figures for the corresponding year ended 31st December, 2024 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st December, 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	(3)	50,338	47,286
Other income	(4)	3,334	10,894
Other gain (loss)		192	(864)
Rent and rates		(3,415)	(3,542)
Building management fees		(8,825)	(7,441)
Staff costs (including directors' emoluments)		(11,641)	(10,914)
Depreciation and amortisation		(64)	(82)
Repairs and maintenance		(10,632)	(1,668)
Other expenses		(12,059)	(9,013)
Finance costs		(23,545)	(34,095)
Operating loss before change in fair value of investment properties and financial instruments and (impairment losses) reversal of impairment losses under expected credit loss model, net		(16,317)	(9,439)
Loss from change in fair value of investment properties		(206,701)	(67,862)
(Impairment losses) reversal of impairment losses under expected credit loss model, net		(387)	607
Net increase in fair value of financial assets at fair value through profit or loss		428	814
Loss before taxation		(222,977)	(75,880)
Income tax credit	(5)	8,800	1,128
Loss for the year	(6)	(214,177)	(74,752)
		HK cents	HK cents
Loss per share			
Basic	(7)	(17.26)	(6.03)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st December, 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the year	<u>(214,177)</u>	<u>(74,752)</u>
Other comprehensive expense for the year, net of tax:		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Change in fair value of equity instrument at fair value through other comprehensive expense	<u>(5,770)</u>	<u>(5,930)</u>
Total comprehensive expense for the year	<u>(219,947)</u>	<u>(80,682)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st December, 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		284	348
Investment properties		2,096,980	2,266,120
Interests in an associate		–	–
Equity instrument at fair value through other comprehensive income		20,190	25,960
Club memberships		4,261	4,261
		<u>2,121,715</u>	<u>2,296,689</u>
Current assets			
Trade and other receivables, prepayments and deposits	(9)	17,392	12,694
Loan receivable		–	–
Financial assets at fair value through profit or loss		43,465	52,971
Income tax recoverable		2,209	383
Cash and cash equivalents		48,992	68,355
		<u>112,058</u>	<u>134,403</u>
Current liabilities			
Creditors and accruals	(10)	30,417	32,152
Income tax payable		57	996
Bank borrowing		180,000	100,000
		<u>210,474</u>	<u>133,148</u>
Net current (liabilities) assets		<u>(98,416)</u>	<u>1,255</u>
Total assets less current liabilities		<u>2,023,299</u>	<u>2,297,944</u>
Capital and reserves			
Share capital		681,899	681,899
Reserves		840,223	1,060,170
Total equity		<u>1,522,122</u>	<u>1,742,069</u>
Non-current liabilities			
Deferred tax liabilities		131,177	140,875
Other borrowings		370,000	415,000
		<u>501,177</u>	<u>555,875</u>
		<u>2,023,299</u>	<u>2,297,944</u>

Notes:

(1) Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the Hong Kong Companies Ordinance (“CO”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on Stock Exchange of Hong Kong Limited (“Listing Rules”).

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting period.

The financial information relating to the financial years ended 31st December, 2025 and 2024 included in this announcement of annual results does not constitute the Company’s statutory annual consolidated financial statements for those financial years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the CO is as follows:

The Company has delivered the financial statements for the year ended 31st December, 2024 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the CO and will deliver the financial statements for the year ended 31st December, 2025 in due course.

The Company’s auditor has reported on the financial statements of the Group for 2024. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the CO.

In preparing the consolidated financial statements, the directors of the Company (“Directors”) have given careful consideration to the future liquidity of the Group in light of the fact that the Group incurred operating loss for HK\$214,177,000 and has negative operating cash flow of HK\$4,451,000 for the year ended 31st December, 2025 and, as of that date, the Group’s current liabilities exceeded its current assets by HK\$98,416,000, which mainly due to a bank borrowing of HK\$180,000,000 which was due for settlement within twelve months and was classified as current liability.

The Directors have reviewed the Group’s cash flow projections prepared by the management, which cover a period of twelve months from the date of approval of the consolidated financial statements. The Group expects to continue to enhance its liquidity and operating cash flows for the next twelve months upon completion of renovation and commencement of generation of rental income from Laneway (formerly known as Concord Square), a commercial property held by the Group. The Group also has unutilised facility from its intermediate holding company with aggregate amount of HK\$230,000,000 as at 31st December, 2025. Thus, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within twelve months from the date of approval of the consolidated financial statements. Accordingly, the Directors have, at the date of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

(2) **Application of new and amendments to HKFRS Accounting Standards**

Amendments to HKFRS Accounting Standard that are mandatorily effective for the current year

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

Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(3a) **Revenue and segment information**

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Rental income from investment properties that is fixed	44,255	41,063
Estate management fees	5,258	5,023
Dividend income from equity instrument at fair value through other comprehensive income	825	1,200
	<u>50,338</u>	<u>47,286</u>

Revenue from estate management fees is recognised over time. The Group applied the practical expedient in HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") to recognise revenue in the amount that the Group has the right to invoice based on the terms of the relevant lease agreements. As permitted under HKFRS 15, the transaction price of estate management services allocated to the remaining performance obligations as at 31st December, 2025 and 2024 is not disclosed.

The Executive Directors of the Company have been identified as the chief operating decision maker. The Executive Directors regard the Group's business as a single operating segment, which is property leasing and estate management, and review financial information as a whole accordingly. Therefore, no segment analysis of the Group's revenue, results, assets and liabilities are presented.

As at 31st December, 2025, other than financial instruments, the total of non-current assets located in Hong Kong and The People's Republic of China ("PRC") are HK\$2,100,914,000 and HK\$611,000 (2024: HK\$2,270,118,000 and HK\$611,000) respectively. During the current year, the revenue is solely derived from Hong Kong.

(3b) Information about major customers

Revenue from customers relating to rents from investment properties of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	9,144	8,474
Customer B	6,979	5,671
Customer C	5,658	6,010
	<u>5,658</u>	<u>6,010</u>

(4) Other income

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	1,482	3,865
Loan interest income	–	3,913
Interest income from other receivables	269	287
Management fee income from intermediate holding company	674	1,220
Management fee income from fellow subsidiaries	498	420
Others	411	1,189
	<u>3,334</u>	<u>10,894</u>

(5) **Income tax credit**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The charge (credit) comprises:		
Hong Kong Profits Tax		
– Current year	912	3,118
– Overprovision in prior years	(14)	(45)
	898	3,073
Deferred taxation	(9,698)	(4,201)
Income tax credit for the year	(8,800)	(1,128)

(6) **Loss for the year**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the year has been arrived at after charging:		
Depreciation of property, plant and equipment	64	82
Salaries and other costs	11,334	10,611
Retirement benefits scheme contributions	307	303
Total staff costs (including directors' emoluments)	11,641	10,914
Direct operating expenses of investment properties that generated rental income	20,024	9,856
Direct operating expenses of investment properties that did not generate rental income	8,232	4,032
Auditor's remuneration	1,451	1,649

(7) Loss per share

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	<u>(214,177)</u>	<u>(74,752)</u>
	2025	2024
	'000	'000
Number of shares		
Number of ordinary shares for the purpose of basic loss per share	<u>1,240,669</u>	<u>1,240,669</u>

No diluted loss per share for both years were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

(8) Dividend

The Board of Directors has resolved not to declare any dividend for the years ended 31st December, 2025 (2024: Nil).

(9) Trade and other receivables, prepayments and deposits

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	8,216	3,777
Other receivables	6,490	6,557
Prepayments and deposits	2,686	2,360
	<u>17,392</u>	<u>12,694</u>

As at 1st January 2024, trade receivables from contracts with customers amounted to HK\$6,223,000.

Trade receivables represent rental receivable which are receivable on the presentation of debit notes. The Group generally allows a credit period of 30 days to its tenant. The aging of these trade receivables of the Group, net of provisions and in accordance with the revenue recognition dates, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	6,250	2,234
31 – 60 days	1,000	1,314
91 – 120 days	592	220
121 – 180 days	374	9
	<u>8,216</u>	<u>3,777</u>

(10) Creditors and accruals

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade creditors	2,178	371
Other creditors	6,679	13,922
Tenants deposits	17,501	14,396
Accrued operating expenses	4,059	3,463
	<u>30,417</u>	<u>32,152</u>

The ageing of the trade creditors of the Group in accordance with invoice date is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	1,576	350
31-60 days	519	6
61-90 days	68	–
Over 120 days	15	15
	<u>2,178</u>	<u>371</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

The revenue of the Group for the year ended 31st December, 2025 was HK\$50,338,000 (2024: HK\$47,286,000), an increase of HK\$3,052,000 or 6% compared to the year before. The loss for the year amounted to HK\$214,177,000 (2024: HK\$74,752,000). The reason for the decline in the financial performance of the Group was primarily attributable to the higher decrease in the fair value of investment properties of HK\$206,701,000 in the current year as compared with the corresponding figure of HK\$67,862,000 in last year.

Loss per share amounted to HK17.26 cents (2024: HK6.03 cents), while the net asset value per share was HK\$1.23 as at 31st December, 2025 (2024: HK\$1.40).

Business Review

The Group's core businesses comprise property investment, property leasing and estate management in Hong Kong.

For the year ended 31st December, 2025, the Group's commercial properties situated at Harbour Crystal Centre recorded an occupancy level of approximately 95%, and the performance of rental income was satisfactory.

The refurbishment of the Laneway (formerly known as Concord Square) shopping arcade has been completed, and leasing works are proactively in progress. The arcade was formally opened in January 2026 by phases. Over 60% occupancy rate for leasable area of phase one, consisting of three floors out of a total of six floors, is being operated by tenants.

Financial Review

Group Assets and Charges

The total assets of the Group have decreased from HK\$2,431,092,000 last year to HK\$2,233,773,000 in this year. The net assets of the Group have decreased from HK\$1,742,069,000 to HK\$1,522,122,000. At 31st December, 2025, carrying value of investment properties of the Group of HK\$1,184,000,000 in Hong Kong (2024: HK\$1,294,000,000) were pledged as security for a bank borrowing. The Group has a bank borrowing of HK\$180,000,000 (2024: HK\$100,000,000) and will undergo a discussion with the bank for the renewal of banking facilities.

Group Financial Position, Liquidity and Financial Resources

The total liabilities of the Group have increased from HK\$689,023,000 as at 31st December, 2024 to HK\$711,651,000 as at 31st December, 2025. The Group had cash and bank balances of HK\$48,992,000 as at 31st December, 2025 (2024: HK\$68,355,000) which were mainly denominated in Hong Kong dollars. The ratio of total liabilities to total assets was approximately 32% (2024: 28%). As at 31st December, 2025, the Group had other borrowing of HK\$370,000,000 (2024: HK\$415,000,000) which is repayable in more than one year but not exceeding two years and bank borrowing of HK\$180,000,000 (2024: HK\$100,000,000) which is repayable within one year with repayment on demand clause. The total equity was HK\$1,522,122,000 (2024: HK\$1,742,069,000). The gearing ratio (net debt over total equity) of the Group was 33% (2024: 26%).

The Group's outstanding borrowings are interest-bearing at floating rates, mature within one to two years and are denominated in Hong Kong dollars which will be repaid in the same currency.

To maintain flexible and sufficient cashflow, the Group has unutilized facility from the intermediate holding company of HK\$230,000,000 (2024: HK\$200,000,000) and intends to obtain proper bank and other borrowings with reasonable pricing terms. The management continuously monitors the gearing ratio and raises new external borrowings when necessary.

For the year ended 31st December, 2025, the Group had no material exposure to fluctuations in exchange rates and no related hedges.

Material Lending Transaction

The Group focuses on property investment, property leasing and estate management as its principal business, and a limited number of transactions may be carried out by the Group as part of its treasury activities with the intention to effectively utilise its available financial resources on hand from time to time, including (i) subscription of loan notes for investment purpose; and (ii) grant of loans to borrowers, both of which contributed to the loan interest income of the Group. Taking advantage of its cash position and after considering the working capital needs, available business and investment opportunities, a comparison between the fixed deposit interest rate at the material time and the expected rate of return of alternative use of such cash resources, the Group will allocate its resources accordingly with the intention to enhance the returns of its shareholders, including subscribing loan notes as well as providing short term loans.

Loan notes, being investment products, are normally issued by the issuer to multiple subscribers, and the Group subscribes such loan notes for investment purpose which are generally available for trading in the financial market. By contrast, short-term loans which are granted by the Group to borrowers are not investment products, nor they are available for trade. The short-term loans are structured to allow the Group to demand repayment from the borrower at any time. Therefore, while such loans bring in interest income for the Group, it provides certain level of liquidity flexibility to the Group to improve and enhance its financial position quickly, and can use its resources to fund its business activities when favourable opportunities arise. During the year, the Group did not grant any loans to borrowers.

The Group will ensure that it has sufficient working capital for its business operations after the allocation of its resources as above mentioned.

Material Acquisition and Disposals

The Group has no material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31st December, 2025.

Significant Investments

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 31st December, 2025.

Contingent Liabilities

The Group is not aware of any material contingent liabilities as at 31st December, 2025.

Events after the reporting date

There are no important events affecting the Group which have occurred after the end of the reporting financial year ended 31st December, 2025 and up to the date of this Announcement.

Employees

As at 31st December, 2025, the Group employed 32 (2024: 30) persons, all (2024: all) were employed in Hong Kong. The Group maintains a policy of paying competitive remuneration packages and employees are also rewarded on performance related basis including salary and bonus.

In addition to basic salaries, full-time employees in Hong Kong are provided with medical insurance and mandatory provident fund scheme.

Business Outlook

The retail property leasing market in Hong Kong remains challenging in 2026, with continued pressure on rental rates and occupancy levels. While some stabilization has emerged in select prime locations, the broader market continues to face headwinds from cautious consumer spending and ongoing changes in retail habits such as competition from online platforms. However, conditions should continue to improve in Hong Kong, with stronger visitor numbers providing support to retail consumption.

The official opening of Laneway (formerly known as Concord Square), our extensively refurbished shopping mall in Tsuen Wan, will contribute meaningfully to the Group's rental revenue as leasing activity continues. We remain focused on building a compelling and diverse tenant mix in what remains a selective leasing environment.

On the macroeconomic front, the Hong Kong economy, which is expected to grow between 2.5% and 3.5% in 2026, provides a supportive backdrop for the Group's operations. While the benefits to retail leasing fundamentals are likely to be gradual, this growth outlook, combined with the wealth effect from an improving residential property market, underpins a more constructive medium-term environment than in prior periods.

The Company maintains a cautious but opportunistic approach, focusing on operational efficiency and selective capital deployment. We remain well-positioned to benefit from the ongoing market recovery and continue to prioritize financial discipline as leasing conditions gradually improve.

DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31st December, 2025 (2024: Nil).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company (“2026 AGM”)

The 2026 AGM is scheduled to be held on Wednesday, 20th May, 2026. For determining the entitlement to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Friday, 15th May, 2026 to Wednesday, 20th May, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order for a shareholder of the Company to be eligible to attend and vote at the 2026 AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Investor Services Limited of 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14th May, 2026.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the year ended 31st December, 2025, the Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed “Part 2 – Principles of good corporate governance, code provisions and recommended best practices” of the Corporate Governance Code (“CG Code”) under Appendix C1 of the Listing Rules, except for certain deviations which are summarised below:

Code Provisions E.1.2 and D.3.3

Code provisions E.1.2 and D.3.3 of the CG Code stipulate that the terms of reference of the remuneration committee and audit committee should include, as a minimum, those specific duties as set out in the respective code provisions.

The terms of reference of the remuneration committee (the “Remuneration Committee”) adopted by the Company are in compliance with the code provision E.1.2 of the CG Code except that the Remuneration Committee shall make recommendations to the Board on the remuneration packages of the Executive Directors only and not senior management (as opposed to executive directors and senior management under the code provision).

The terms of reference of the audit committee (the “Audit Committee”) adopted by the Company are in compliance with the code provision D.3.3 of the CG Code except that the Audit Committee (i) shall recommend (as opposed to implement under the code provision) the policy on the engagement of the external auditors to supply non-audit services; (ii) only possesses the effective ability to scrutinise (as opposed to ensure under the code provision) whether management has performed its duty to have effective risk management and internal control systems; and (iii) can promote (as opposed to ensure under the code provision) the co-ordination between the internal and external auditors, and check (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced.

The reasons for the above deviations will be set out in the Corporate Governance Report to be contained in the Company’s Annual Report for the financial year ended 31st December, 2025 (“2025 Annual Report”). The Board has reviewed the terms during the year under review and considers that the Remuneration Committee and the Audit Committee should continue to operate according to the relevant terms of reference, and will continue to review the terms at least annually and make appropriate changes if considered necessary.

Further information on the Company’s corporate governance practices during the year under review will be set out in the Corporate Governance Report to be contained in the Company’s 2025 Annual Report which will be sent to the shareholders of the Company (“Shareholders”) by the end of April 2026.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and the financial statements for the year ended 31st December, 2025.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st December, 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

During the year ended 31st December, 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

FORFEITURE OF UNCLAIMED DIVIDENDS

According to Article 160(A) of the articles of association of the Company, all dividends unclaimed for 6 years after having been declared may be forfeited by the Board and shall revert to the Company. The Board wishes to inform the Shareholders that any of the following dividends declared remaining unclaimed on Thursday, 16th April, 2026 will be forfeited and revert to the Company.

Financial Year End

Types of Dividends

2018

Interim Dividend (in lieu of final dividend)

Shareholders who are entitled to but yet to receive the dividends payments in respect of the aforesaid dividends are advised to contact the share registrar of the Company, Tricor Investor Services Limited, 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but no later than 4:30 p.m. on Thursday, 16th April, 2026.

On behalf of the Board
Asiasec Properties Limited

Lee Shu Yin

Executive Director and Chief Executive

Hong Kong, 19th March, 2026

As at the date of this announcement, the Board comprises Mr. Patrick Lee Seng Wei (Chairman), Mr. Lee Shu Yin (Chief Executive) and Mr. Tao Tsan Sang being the Executive Directors; and Mr. Li Chak Hung, Ms. Lisa Yang Lai Sum and Mr. Cheng Chi Kin being the Independent Non-Executive Directors.