亞證地產有限公司

ASIASEC PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 271)

Executive Directors:
Patrick Lee Seng Wei *(Chairman)*
Lee Shu Yin *(Chief Executive)*
Tao Tsan Sang

Independent Non-Executive Directors:
Li Chak Hung
Lisa Yang Lai Sum
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Registered office:
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Wanchai
Hong Kong

6th November, 2026

To the Shareholders

Dear Sir or Madam,

(I) PROPOSED SHARE CONSOLIDATION; (II) PROPOSED CHANGE IN BOARD LOT SIZE; (III) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) CONSOLIDATED SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND (IV) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Share Consolidation, the Change in Board Lot Size and the Rights Issue.

The purpose of this circular is to provide you with, among other things, (i) further details of the Share Consolidation and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; (iv) other information required under the Listing Rules; and (v) a notice convening the EGM.

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) issued Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share in the share capital of the Company.

Effect of the Share Consolidation

The Company is a company incorporated in Hong Kong and hence the Existing Shares have no nominal value. As at the Latest Practicable Date, 1,240,668,945 Existing Shares have been allotted and issued as fully paid.

Assuming no further Existing Shares will be issued or repurchased between the Latest Practicable Date and the date of the EGM, immediately after the Share Consolidation becoming effective, no more than 124,066,894 Consolidated Shares which are fully paid will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

(i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;

(ii) the Stock Exchange granting listing of, and permission to deal in, the Consolidated Shares in issue upon the Share Consolidation becoming effective; and

(iii) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Share Consolidation.

Listing application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Securities convertible or exchangeable into Existing Shares

As at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lot size of 1,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 1,000 Existing Shares to 5,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective.

Based on the closing price of HK$0.143 per Existing Share (equivalent to HK$1.43 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the market value of each board lot of 1,000 Existing Shares is HK$143; (ii) the market value of each board lot of 1,000 Consolidated Shares would be HK$1,430; and (iii) the market value of each board lot of 5,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK$7,150.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

All existing share certificates in board lot of 1,000 Existing Shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the change in the board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size 1,000 Existing Shares to new share certificate in board lot size of 5,000 Consolidated Shares is necessary.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Morton Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Shareholders who wish to take advantage of this service should contact Mr. Alex Cheung of Morton Securities Limited at Room 1804-05, 18th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong or at telephone number (852) 2652 7118 from 9:00 a.m. on Friday, 11th December, 2026 to 4:00 p.m. on Monday, 4th January, 2027.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional adviser.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is currently expected to be on Friday, 27th November, 2026, being the second business day immediately after the date of the EGM, the Shareholders may during the period from Friday, 27th November, 2026 to Wednesday, 6th January, 2027 (both days inclusive) submit existing share certificates for the Existing Shares (in the colour of red) to the Share Registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange for new share certificates for the Consolidated Shares (in the colour of blue) at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled or issued is higher.

After 4:30 p.m. on Wednesday, 6th January, 2027, share certificates for the Existing Shares will remain effective as documents of title and may be exchanged for share certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

REASONS FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Based on the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited on 28th November, 2008, and last updated in June 2026 (the "**Guide**"), taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK$1,000.

On the Last Trading Day, the closing price of an Existing Share of the Company was HK$0.139, with a board lot size of 1,000 Existing Shares, the existing board lot value was only HK$139, which was less than HK$1,000. In order to increase the value of each board lot of the Consolidated Shares and reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposed to implement the Share Consolidation and the Change in Board Lot Size, resulting in the theoretical closing price of HK$1.39 per Consolidated Share and the estimated value of HK$6,950 per board lot of 5,000 Consolidated Shares based on the closing price of the Existing Shares of HK$0.139 on the Last Trading Day.

Based on the theoretical ex-rights price of HK$1.305 per Consolidated Share, the market value of each board lot of 1,000 Consolidated Shares would be HK$1,305 and the estimated market value of each proposed new board lot of 5,000 Consolidated Shares would be approximately HK$6,525.

The Board considered that the Share Consolidation and the Change in Board Lot Size will enable the Company to comply with the trading requirements under the Listing Rules and the Guide and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since many banks/securities houses will charge minimum transaction costs for each securities trade.

With a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange, the Board believes that investment in the Consolidated Shares would become more attractive to a broader range of investors, thereby improving the liquidity of the Consolidated Shares and further broadening the shareholder base of the Company.

All existing share certificates in board lot of 1,000 Existing shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the Change in Board Lot Size, and therefore no arrangement for free exchange of existing share certificates in board lot size 1,000 Existing shares to new share certificate in board lot size of 5,000 Consolidated shares is necessary.

Save for (i) any fractional Consolidated Shares that will not be allocated to Shareholders; and (ii) professional fees for the implementation of the Share Consolidation, the Directors consider that the Share Consolidation will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests and rights of the Shareholders in the Company. Taking into account of the potential benefits and the amount of costs expected to be incurred, the Board is of the view that the Share Consolidation and Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions or arrangement in the next 12 months, which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company has no concrete plans to conduct any equity fundraising in the next 12 months save for the proposed Rights Issue. However, the Board cannot rule out the possibility of the Company conducting debt and/or equity fund-raising activities when suitable fund-raising and/or investment opportunities arise in order to meet the Group's operational needs or support the future development of the Group. Further announcement(s) will be made by the Company with regards to any potential fund-raising activities as and when appropriate and in accordance with the Listing Rules.

PROPOSED RIGHTS ISSUE

Subject to the Share Consolidation becoming effective, the Company proposes to raise gross proceeds of up to approximately HK$151.36 million by way of the issue of 124,066,894 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date and all the Qualifying Shareholders take up their respective allotment of Rights Shares in full) at the Subscription Price of HK$1.22 per Rights Share on the basis of one (1) Rights Share for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date.

Further details of the Rights Issue are set out below:

Issue Statistics

Basis of the Rights Issue	:	One (1) Rights Share for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK$1.22 per Rights Share
Number of Existing Shares in issue as at the Latest Practicable Date	:	1,240,668,945 Existing Shares
Number of Consolidated Shares in issue upon the Share Consolidation becoming effective	:	124,066,894 Consolidated Shares (assuming no further issue or repurchase of Shares up to the effective date of the Share Consolidation)
Number of Rights Shares to be issued under the Rights Issue	:	Up to 124,066,894 Rights Shares (assuming no further issue or repurchase of Shares on or before the Record Date)
Number of issued Consolidated Shares as enlarged by the Rights Issue (assuming the Rights Issue is fully subscribed)	:	Up to 248,133,788 Consolidated Shares (assuming no Shares are issued (other than the Rights Shares) or repurchased on or before the completion of the Rights Issue)
Gross proceeds from the Rights Issue	:	Up to approximately HK$151.36 million before deduction of costs and expenses (assuming no Shares are issued or repurchased on or before the Record Date)
Net proceeds from the Rights Issue	:	Up to approximately HK$149.56 million after deduction of costs and expenses (assuming no Shares are issued and repurchased on or before the Record Date)
Net price (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Up to approximately HK$1.21 per Rights Share (assuming no Shares are issued and repurchased on or before the Record Date)

Right of excess applications	:	Qualifying Shareholders may apply for the Rights Shares in excess of their provisional allotments

The Company is a company incorporated in Hong Kong and the Rights Shares have no nominal value.

As at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

Assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 124,066,894 Rights Shares proposed to be issued pursuant to the Rights Issue represent 100% of the issued share capital of the Company as at the Record Date and will represent 50% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that the provisional allotments for the Rights Issue are not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders together with the Rights Shares not provisionally allotted to the Non-Qualifying Shareholders will be made available for excess application under the EAFs. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) and EAF(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), may result in the Company's non-compliance of the Public Float Requirement of the Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its entitlement under the Rights Issue will be scaled down to a level which does not result in the non-compliance of the Public Float Requirement. In particular, the application of Autobest for its entitlements under the PAL shall be subject to scaling-down as abovementioned.

The Public Float Requirement shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 13.32B of the Listing Rules.

Any subscription monies not being utilised due to the scaled-down application of entitled Rights Shares or excess Rights Shares will be refunded to the affected applicants.

The scale-down of applications of Rights Shares shall operate on a fair and equitable basis under the following principles: (i) EAF(s) should be scaled down before PAL(s); and (ii) where the scale-down is necessitated by the exceeding of shareholding by a group of Shareholders acting in concert (the "**AIC Group(s) of Shareholder(s)**") rather than an individual Shareholder, the allocations of EAF(s) and PAL(s) to members of the affected group should be made on a pro-rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for avoidance of any doubt, any or any such onward allocation(s) shall be subject to the scale-down as well. The Company and/or the Share Registrar will, based on the latest corporate records of the Shareholders available to them, ascertain if there are such AIC Group(s) of Shareholder(s).

If the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Subscription Price

The Subscription Price of HK$1.22 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares under the Rights Issue, upon an application of excess Rights Shares, or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price, assuming the Share Consolidation has become effective as at the Latest Practicable Date, represents:

(i) a discount of approximately 14.69% to the theoretical closing price of HK$1.43 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.143 per Existing Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 12.23% to the theoretical closing price of HK$1.39 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.139 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 6.51% to the theoretical ex-rights price of approximately HK$1.305 per Consolidated Share (after taking into account the effect of the Share Consolidation), which is calculated on the basis of the closing price of HK$0.139 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(iv) a discount of approximately 11.47% to the average of the theoretical closing prices per Consolidated Share for the five consecutive trading days ended on the Last Trading Day of approximately HK$1.378 per Consolidated Share (after taking into account the effect of the Share Consolidation);

(v) a discount of approximately 8.13% to the average of the theoretical closing prices per Consolidated Share for the ten consecutive trading days ended on the Last Trading Day of approximately HK$1.328 per Consolidated Share (after taking into account the effect of the Share Consolidation);

(vi) a discount of approximately 90.06% to the audited consolidated net asset value attributable to the Shareholders as at 31st December, 2025 as extracted from the final results of the Company for the year ended 31st December, 2025 of approximately HK$12.269 per Consolidated Share, which is calculated based on the Group's audited consolidated net assets of approximately HK$1,522,122,000 as at 31st December, 2025 divided by 1,240,668,945 Existing Shares in issue and adjusted for the effect for the Share Consolidation;

(vii) a discount of approximately 89.25% to the unaudited consolidated net asset value attributable to the Shareholders as at 30th June, 2026 as extracted from the interim results of the Company for the six months ended 30th June, 2026 of approximately HK$11.350 per Consolidated Share, which is calculated based on the Group's unaudited consolidated net assets of approximately HK$1,408,182,000 as at 30th June, 2026 divided by 1,240,668,945 Existing Shares in issue and adjusted for the effect for the Share Consolidation; and

(viii) theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 6.12%, based on the theoretical diluted price of approximately HK$1.305 per Consolidated Share to the benchmarked price of HK$1.39 per Consolidated Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the theoretical closing price of HK$1.39 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day adjusted for the effect of the Share Consolidation; and (ii) the average theoretical closing price of approximately HK$1.34 per Consolidated Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day and adjusted for the effect of the Share Consolidation).

The Subscription Price was determined with reference to (i) the prevailing market conditions of the Hong Kong stock market which showed a downward trend from the beginning of 2026; (ii) recent market price of the Existing Shares as quoted on the Stock Exchange; (iii) the low average trading volume of less than 100,000 Shares per day for the thirty consecutive trading days ended on the Last Trading Day; (iv) the theoretical dilution effect of 6.12%, which is below the 25% threshold prescribed under Rule 7.27B of the Listing Rules; and (v) the purposes described in the section headed "Reasons for the Rights Issue and the Use of Proceeds" below.

The Board considers that setting the Subscription Price at a discount to the current market price of the Shares would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group.

The Board notes that the Subscription Price represents a discount of approximately 89.25% to the unaudited net asset value attributable to the Shareholders of approximately HK$11.350 per Consolidated Share as at 30th June, 2026. In this regard, the Board has taken into account that (i) the Shares have been trading consistently and substantially below the net asset value per Share during the twelve months preceding Last Trading Day; (ii) the prevailing market prices of the Shares, being the prices determined by investors of the Company, to be a more relevant benchmark than the net asset value attributable to the Shareholders per Share; and (iii) the Rights Issue is offered to all Qualifying Shareholders on the same terms in proportion to their shareholdings, such that Qualifying Shareholders who take up their provisional allotments in full will maintain their respective percentage shareholdings and will themselves benefit from subscribing at the same Subscription Price, and the discount to the net asset value will not, of itself, result in any transfer of value away from participating Shareholders.

In view of the above, and having considered that all the Qualifying Shareholders will be offered equal opportunity to subscribe for the Rights Shares by way of provisional allotment, the Board considers the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of provisional allotment of Rights Shares will be one (1) Rights Share for every one (1) Consolidated Share held by the Qualifying Shareholders as at the close of business on the Record Date.

Status of Rights Shares

The Rights Shares (when allotted, issued and fully-paid) will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid, the record dates of which are on or after the date of allotment and issue of the fully-paid Rights Shares.

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send to each of the Qualifying Shareholders each of the PAL and EAF in printed form and the Prospectus in electronic form (or printed form if they have previously requested for printed copies of corporate communication). The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders having an address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

Shareholders with their Shares held by nominee(s) (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as a member of the Company on the Record Date, all transfer documents of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Share Registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Tuesday, 1st December, 2026. The last day for dealing in the Shares on a cum-rights basis is Friday, 27th November, 2026.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Share Registrar on or before the Latest Time for Acceptance, which is expected to be 4:00 p.m. on Wednesday, 23rd December, 2026.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Rights of the Overseas Shareholders

If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue. The Prospectus Documents to be despatched in connection with the Rights Issue will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Board notes the requirements specified in Rule 13.36(2)(a) of the Listing Rules and is in the process of making enquiries in the relevant jurisdictions as to the feasibility of extending the Rights Issue to the Overseas Shareholders. If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to the relevant Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders and the Rights Issue will not be extended to them. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them. The explanation and basis of exclusion of Non-Qualifying Shareholders, if any, will be disclosed in the Prospectus. As at the Latest Practicable Date, the Company has not received any finalised legal opinion from overseas legal advisers in this regard.

Based on the register of members of the Company as at the Latest Practicable Date, there are 41 Shareholders with registered addresses situated overseas as follows:

Jurisdiction	**Number of Overseas Shareholder(s)**	**Aggregated number of Existing Shares held by Overseas Shareholder(s) in the jurisdiction**	**Approximate % of the issued share capital of the Company** *(Note)*
Singapore	20	2,069	0.0002%
Macau	8	15,040	0.0012%
United Kingdom	4	3,173	0.0003%
Canada	3	13,507	0.0011%
Malaysia	2	662	0.0001%
Denmark	1	31	0.0000%
People's Republic of China	1	478	0.0000%
Taiwan	1	3,194	0.0003%
United States of America	1	2,000	0.0002%
	41	40,154	0.0032%

Note: The percentage figures have been subject to rounding adjustment. Any discrepancies between totals and sums of amount listed herein are due to rounding adjustment.

In the event that there are additional Overseas Shareholders with registered address situated in other jurisdictions as at the Record Date, the Board will make such enquiry(ies) under Rule 13.36(2)(a) of the Listing Rules.

Arrangements for the Non-Qualifying Shareholders Rights Shares

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be provisionally allotted to a nominee of the Company in nil-paid form. The Company shall procure that such nominee to sell the Rights Shares in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event on or before the last day for dealings in the nil-paid Rights Shares at a net premium. If and to the extent that such rights can be so sold, the nominee shall account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Non-Qualifying Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) in Hong Kong dollars provided that the individual amounts of HK$100 or less shall be retained by the Company for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be taken up by excess application.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

No fractional entitlements to the Rights Shares

On the basis of provisional allotment of one (1) Rights Share for every one (1) Consolidated Share held on the Record Date, no fractional entitlements to the Rights Shares shall arise under the Rights Issue. No odd lot matching services in relation to the Rights Issue will be provided.

Application for Excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for Rights Shares representing:

(i) unsold entitlements of the Non-Qualifying Shareholders (if any);

(ii) entitlements provisionally allotted but not validly accepted by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of nil-paid Rights Shares; and

(iii) any Rights Shares which would otherwise be allotted but subject to scale down (as described in the paragraph headed "Non-underwritten basis" above).

Applications for excess Rights Shares should be made only by completing an EAF and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for. If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign an EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Share Registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong by a time which is currently expected to be 4:00 p.m. on Wednesday, 23rd December, 2026.

The Board will allocate the excess Rights Shares at its discretion on a fair and equitable basis in proportion to the number of excess Rights Shares being applied for under each application. However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for excess Rights Shares. Further, pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder and its associates (together, the "**Relevant Shareholders**"), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders' applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

Investors with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names as the beneficial owner(s) on or prior to the Record Date.

Investors whose Shares are held by their nominee(s) (or which are deposited in CCASS) and who would like to have their names registered on the register of members of the Company on the Record Date, must lodge all necessary documents with the Share Registrar for completion of the relevant registration by 4:30 p.m. on Tuesday, 1st December, 2026.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses, at their own risks, on or before Monday, 4th January, 2027. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares, or for refunds if the Rights Issue does not proceed, are expected to be despatched on or before Monday, 4th January, 2027 to the applicants without interest to their registered addresses by ordinary post at their own risks.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, or any other applicable fees and charges in Hong Kong.

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Overseas Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Application for Listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. The nil-paid Rights Shares shall have the revised board lot size of 5,000 in one board lot with the Change in Board Lot Size taking effect on Friday, 11th December, 2026. Dealings in the Rights Shares in their nil-paid and fully-paid forms will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

Rights Shares will be Eligible for Admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day after the date of the transaction. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, Autobest held 930,376,898 Existing Shares.

Pursuant to the Irrevocable Undertaking, Autobest has irrevocably undertaken to the Company, among other things:

(i) it will remain as the beneficial owner of all the 930,376,898 Existing Shares immediately prior to the Share Consolidation becoming effective, and upon the Share Consolidation becoming effective, the 93,037,689 Consolidated Shares held by it up to and including the Record Date;

(ii) it will subscribe for all of the Rights Shares which it is entitled to under the Rights Issue on the Record Date, being 93,037,689 Rights Shares, with such amounts being scaled down to a level which does not result in the non-compliance of the Public Float Requirement, and any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to it; and

(iii) it will not, during the period from the date of the Irrevocable Undertaking up to and including the Record Date, transfer or otherwise dispose of, or create any encumbrances over or in respect of, any Shares held by it.

Save for the Irrevocable Undertaking, the Company has not received any undertakings from any other Shareholders to subscribe for all or any of the Rights Shares to be provisionally allotted to them.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon the fulfilment of each of the following conditions:

(i) the Share Consolidation becoming effective;

(ii) the passing by Independent Shareholders at the EGM of the necessary resolution(s) to approve the Rights Issue and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;

(iii) the electronic submission to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of the Prospectus Documents and other documents no later than the Prospectus Posting Date in compliance with the Listing Rules and the Companies (WUMP) Ordinance;

(iv) the despatch of the Prospectus Documents to the Qualifying Shareholders and the despatch of the Prospectus to the Non-Qualifying Shareholders, if any, for information purpose only, by no later than the Prospectus Posting Date; and

(v) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the approval for the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Prospectus Posting Date.

If any of the above conditions is not fulfilled by Wednesday. 31st March, 2027, the Rights Issue will not proceed.

As at the Latest Practicable Date, no condition has been fulfilled.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

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

Assuming full subscription of the Rights Issue, the net proceeds from the Rights Issue after deducting the expenses are expected to be approximately HK$149.56 million (assuming no change in the number of Shares in issue on or before the Record Date), which are intended to be applied in the following manner:

(i) approximately HK$100 million (representing approximately 66.86% of the estimated net proceeds from the Rights Issue) will be used for partial repayment of bank borrowings of the Group;

(ii) approximately HK$30 million (representing 20.06% of the estimated net proceeds from the Rights Issue) will be used for expanding the Group's property investment business; and

(iii) approximately HK$19.56 million (representing approximately 13.08% of the estimated net proceeds from the Rights Issue) will be used for general working capital for the Group, which includes staff cost, directors' remuneration, repair and maintenance of the Group's investment properties and administrative expenses.

If the Rights Issue is undersubscribed and the size of the Rights Issue is reduced, the net proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purposes stated above. The Board expects the proceeds from the Rights Issue will be fully utilised within 12 months after the completion of the Rights Issue.

As at 30th June, 2026, the Group had a bank borrowing of HK$180,000,000. Having considered the finance cost of the borrowings and the cash position of the Group, the Company has a genuine need for funding to strengthen its financial position and liquidity, including reducing its borrowings, and to support its business operations.

The Company is exploring investment opportunities in listed and non-listed companies engaged in commercial and retail property investment. As at the Latest Practicable Date, the Company has not identified any suitable investment target or entered into any negotiation, agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) in relation to any investment.

In addition, the proceeds from the Rights Issue will strengthen the capital base of the Company and enhance its financial stability. The Board has evaluated the costs and benefits of various fund-raising methods available to the Group and their potential impacts on the interests of the Shareholders and is of the view that the Rights Issue is the most favourable method as elaborated below:

In general, bank borrowings will incur interest costs, result in a higher gearing ratio of the Group and subject the Group to repayment obligations. The Board has considered equity fund-raising, such as the subscription or placement of new shares, yet it would lead to an immediate dilution of the shareholding interests of the existing Shareholders. While open offer provides an opportunity to the existing Shareholders to maintain their respective shareholdings in the Company on a pro-rata basis, the Rights Issue is more preferred by the market as it has the benefit of providing the Qualifying Shareholders with the option to sell some or all of their rights entitlements in its nil paid form in the open market, subject to market demand, thus allowing them to realise the cash value if they wish.

Having considered the alternatives above, the Board is of the view that the Rights Issue will provide an opportunity to raise capital for the Company to replenish its cash resources whilst strengthening the capital base and the financial position of the Company without increasing its gearing or financing costs. Compared with other fund-raising options, the Rights Issue offers all Qualifying Shareholders the opportunity to participate in the Group's future growth while minimizing the dilution of their interest in the Company.

The Board is aware that the size of the Rights Issue could potentially be substantially reduced in the event that the Rights Issue is undersubscribed by public Shareholders, resulting in the number of Rights Shares to be subscribed by Autobest under the Irrevocable Undertaking to be scaled down to a level which does not result in the non-compliance of the Public Float Requirement. However, given (i) the Subscription Price is set at a discount to the market price of the Shares as at the Last Trading Day and unaudited net asset value attributable to the Shareholders per Consolidated Share as at 30th June, 2026; (ii) Qualifying Shareholders may apply for Rights Shares by way of excess application in addition to their provisional allotment; (iii) the Rights Issue is subjected to approval by Independent Shareholders at the EGM; and (iv) the reasons for conducting the Rights Issue over other fundraising methods stated above, the Board is of the view that the Rights Issue provides sufficient incentives for public Shareholders to take up all or part of his/her/its entitlement under the PAL(s) and EAF(s).

As at the Latest Practicable Date, the Board has no plan to conduct any further equity fund raising. However, in the event that the Rights Issue is undersubscribed, the Company may consider fund raising by way of placing of new Shares to independent third parties.

In view of the above, the Board considers that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Share Consolidation becoming effective but before completion of the Rights Issue; (iii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders; and (iv) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders other than Autobest who will take up the Rights Shares after adjustment to number of Rights Shares offered to Autobest in accordance with the terms of the Irrevocable Undertaking:

	As at the Latest Practicable Date		**Immediately after the Share Consolidation becoming effective but before completion of the Rights Issue**		**Immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders**		**Assuming no Qualifying Shareholders (except Autobest pursuant to the Irrevocable Undertaking) had taken up their Rights Shares entitlement after adjustment to number of Rights Shares offered to Autobest** *(Note 2)*	
	Number of Existing Shares	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*
Shareholder								
Autobest	930,376,898	74.98	93,037,689	74.98	186,075,378	74.98	93,087,615	75.00
Public shareholders	310,292,047	25.02	31,029,205	25.02	62,058,410	25.02	31,029,205	25.00
Total	1,240,668,945	100.00	124,066,894	100.00	248,133,788	100.00	124,116,820	100.00

Notes:

1. Certain percentage figures included in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

2. In the event that the Rights Issue is undersubscribed which would result in the Public Float Requirement not being maintained, the Company will take all appropriate steps to ensure compliance with the Public Float Requirement, details of which are disclosed in the paragraph headed "Non-underwritten basis" above.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not carried out any other equity fund raising activities during the 12 months immediately preceding the date of the Announcement.

LISTING RULES IMPLICATIONS

The Share Consolidation is conditional upon, among other things, Shareholders' approval at the EGM. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, as none of the Shareholders or their associates have any material interest in the Share Consolidation, no Shareholder is required to abstain from voting on the resolution to approve the Share Consolidation at the EGM.

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares (excluding treasury shares) by more than 50% within the 12-month period immediately preceding the date of the Announcement, the Rights Issue must be made conditional on, amongst other things, the approval by the Independent Shareholders at which any controlling Shareholders and their respective associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Rights Issue at the EGM.

As at the Latest Practicable Date, Autobest held 930,376,898 Existing Shares (representing approximately 74.98% of the total issued shares of the Company). Accordingly, Autobest and its associates shall abstain from voting in favour of the Rights Issue in accordance with Rule 7.27A of the Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

EGM

The EGM will be convened and held at Plaza 3, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 25th November, 2026 at 3:00 p.m. to consider and, if thought fit, approve the Share Consolidation and the Rights Issue and the transactions contemplated thereunder. The proposed resolutions will be conducted by way of a poll at the EGM pursuant to Rule 13.39(4) of the Listing Rules and an announcement on the poll results of the EGM will be made by the Company after the EGM.

The record date for determining the entitlement of the Shareholders to attend and vote at the EGM will be Wednesday, 25th November, 2026. In order to be registered as a member of the Company on the record date for attendance and voting at the EGM, all transfer documents of the Shares (together with the relevant share certificate(s)) must be lodged with the Share Registrar by no later than 4:30 p.m. (Hong Kong time) on Wednesday, 18th November, 2026.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Share Registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment or postponement thereof, provided that no account is to be taken of any part of a day that is a public holiday. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment or postponement thereof if they so wish.

A notice of EGM is set out on pages EGM-1 to EGM-3 of this circular.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY FOR EGM

The register of members of the Company will be closed from Thursday, 19th November, 2026 to Wednesday, 25th November, 2026 (both dates inclusive) for the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM during which period no transfer of Shares will be registered.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY FOR RIGHTS ISSUE

The register of members of the Company will be closed from Wednesday, 2nd December, 2026 to Tuesday, 8th December, 2026 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

DESPATCH OF PROSPECTUS DOCUMENTS

Subject to the approval of the Rights Issue by the Independent Shareholders and the Share Consolidation becoming effective, the Prospectus Documents containing information on the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Wednesday, 9th December, 2026. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL or EAF to them.

RECOMMENDATION

The Directors are of the opinion that the terms of the Share Consolidation are fair and reasonable so far as the Shareholders are concerned and in the interests of the Company and the Shareholders as a whole and, accordingly, recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Share Consolidation and the transactions contemplated thereunder.

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Li Chak Hung, Ms. Lisa Yang Lai Sum and Mr. Cheng Chi Kin, has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM, taking into account the recommendations of the Independent Financial Adviser. Vinco Financial has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Your attention is drawn to the letter from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular which contains its recommendation to the Independent Shareholders in relation to the Rights Issue and the transactions contemplated thereunder and the letter from Vinco Financial set out on pages IFA-1 to IFA-26 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders.

The Directors (including the members of the Independent Board Committee whose opinion is expressed in the letter from the Independent Board Committee after considering the advice of the Independent Financial Adviser) are of the opinion that the terms of the Rights Issue and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole and, accordingly, recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Rights Issue and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices to this circular.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not proceed.

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares.

Yours faithfully,
For and on behalf of the Board
Asiasec Properties Limited



Lee Shu Yin
Executive Director and Chief Executive