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AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

VOLUNTARY ANNOUNCEMENT

Reference is made to the Company's announcement dated 28 January 2022 (the "**Announcement**"). Unless otherwise defined herein, capitalised terms in this announcement shall have the same meaning as the Announcement. This announcement is made by the Company on a voluntary basis.

Further to the Announcement, in which the Company had previously announced the disposal of the Group's equity interest in five (5) project companies to the Purchaser for a total consideration of RMB1,129,141,300, the Group has subsequently entered into a further equity transfer agreement for the disposal of its equity interest in another one of its project companies to the Purchaser, the details of which are further outlined below.

For the purpose of this announcement, all references made to Acquisition Price, Consideration, Equity Transfer Agreements, Project Companies, Projects, Shareholder's Loans, and Transactions as defined in the Announcement shall by reference incorporate the following (all defined below): Acquisition Price (6), Consideration (6), Equity Transfer Agreement (6), Project Company (6), Project (6), Shareholder's Loan (6), and Transaction (6), respectively.

EQUITY TRANSFER AGREEMENT (6) AND UPDATE ON THE STATUS OF THE TRANSACTIONS

Subject Matter

The Board is pleased to announce that, on 25 March 2022, (i) 廣州雅居樂實業投資有限公司 (Guangzhou Agile Enterprise Investments Co., Ltd.***) (“**Guangzhou Agile Enterprise**”), being a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company; (ii) the Purchaser; and (iii) 湖南惠明環保科技有限公司 (Hunan Huiming Eco Technology Co., Ltd.***) (“**Project Company (6)**”), being a company established in the PRC with limited liability on 10 October 2011 and a 90% controlled direct non-wholly owned subsidiary of Guangzhou Agile Enterprise, have entered into a conditional equity transfer agreement (“**Equity Transfer Agreement (6)**”) pursuant to which Guangzhou Agile Enterprise shall sell, and the Purchaser shall purchase, the 90% equity interest in Project Company (6) (“**Equity Interest (6)**”) in accordance with the terms of Equity Transfer Agreement (6) (“**Transaction (6)**”).

The principal business of Project Company (6) is the operation and management of the generation of electricity powered by incineration of waste and/or bio-gas; cleaning, collection, transportation, processing of urban and rural household waste; treatment of waste water, waste mud, atmospheric pollution, and solid waste; provision of consultation and marketing services related to environmental protection and energy saving technology, located at No. 1 Zhimuchong, Banzilou Village, Xujiadong Town, Suxian District, Chenzhou City, the PRC (“**Project (6)**”).

The total consideration payable by the Purchaser to Guangzhou Agile Enterprise under Transaction (6) (“**Consideration (6)**”) shall be the sum of (i) the price for the acquisition of Equity Interest (6) by the Purchaser in the sum of RMB544,990,000 (“**Acquisition Price (6)**”); and (ii) the total principal and interest owed by Project Company (6) to Guangzhou Agile Enterprise and/or its related parties as at 30 September 2021, in the sum of RMB117,118,500 (“**Shareholder’s Loan (6)**”).

Acquisition Price (6) was determined at arm’s length with reference to (among other matters): (i) the unaudited management accounts of Project Company (6) for the nine months ended 30 September 2021; (ii) the historical performance of Project Company (6) and the assets and liabilities of Project Company (6); and (iii) the business development and prospects of Project Company (6) (including but not limited to the potential value, capacity, equipment installed for and future development plans of Project (6) invested and developed by Project Company (6)).

Below is a summary of the relevant subject matter, Acquisition Price, Shareholder's Loans, and the Consideration for each of the Equity Transfer Agreements:

Relevant Equity Transfer Agreement	Subject matter to be disposed of by the Group	Relevant Acquisition Price payable by the Purchaser to the Group (in RMB)	Relevant Shareholder's Loan (in RMB)	Relevant Consideration (being the relevant Acquisition Price plus the relevant Shareholder's Loan (if any)) (in RMB)
Equity Transfer Agreement (1)	Equity Interest (1)	134,900,000	4,091,600	138,991,600
Equity Transfer Agreement (2)	Equity Interest (2)	248,130,000	94,180,000	342,310,000
Equity Transfer Agreement (3)	Equity Interest (3)	134,700,000	—	134,700,000
Equity Transfer Agreement (4)	Equity Interest (4)	217,250,000	10,029,700	227,279,700
Equity Transfer Agreement (5)	Equity Interest (5)	64,620,000	221,240,000	285,860,000
Equity Transfer Agreement (6)	Equity Interest (6)	<u>544,990,000</u>	<u>117,118,500</u>	<u>662,108,500</u>
Total		<u>1,344,590,000</u>	<u>446,659,800</u>	<u>1,791,249,800</u>

Taking into account (i) the total principal and interest due to the Group by the Project Companies of approximately RMB670.0 million; (ii) the total amount of the Acquisition Price of approximately RMB1,344.6 million; and (iii) the dividend that will be paid by the Project Companies to the Group of approximately RMB142.0 million, the Group expects its cash flow from the Transactions to be increased by approximately RMB2,156.6 million.

Taking into account (i) total principal and interest due to the Group and repaid by the Project Companies up to the date of this announcement amounting to approximately RMB451.4 million; and (ii) the amount of the Acquisition Price that has already been received by the Group in the sum of approximately RMB1,263.9 million up to the date of this announcement, the cashflow of the Group has been increased by approximately RMB1,715.3 million up to the date of this announcement.

The total amount of Shareholders Loans as at 30 September 2021 was approximately RMB446.7 million. Subsequent to 30 September 2021, which was the cut-off date for determining the Shareholder's Loans, the Group had made loans to the relevant Project Companies prior to the completion of the relevant Transactions whilst each of the relevant Project Companies was still a subsidiary of the Group, totaling approximately RMB217.7 million for their use as general working capital.

Further, it is expected that upon completion of the Transactions, the Company will record an estimated gain of approximately RMB337 million. The actual gain to be recorded by the Company is subject to audit. It is intended that the net proceeds from Transaction (6), as with the other Transactions, will be used for general working capital of the Group and its future business development.

Completion

All of the Transactions have been completed as at the date of this announcement.

Reasons and benefits

The Directors believe that the entering into of the Equity Transfer Agreements is beneficial to the Company and the Shareholders as a whole as this could diversify the Group's financial exposure and facilitate the Group to meet its working capital requirements for the development of its property projects. In particular, the Directors have considered the following benefits:

- (a) the Transactions contemplated under Equity Transfer Agreements are conducive to optimising the assets of the Group both on short-term and long-term basis, thereby maximising the benefits of the Group;
- (b) the Transactions contemplated under the Equity Transfer Agreements are conducive to the deepening and strengthening of strategic cooperation between the Group and Conch Venture; and
- (c) the increase in the Group's cash flow for general working capital purpose.

In view of the above, the Directors are of the view that the terms of the Transactions are fair and reasonable and the entering into of the same by the Group is in the interests of the Company and the Shareholders as a whole. Further, the Directors are of the view that this would align with the Strategic Cooperation Agreement entered into between Conch Venture and the Company on 28 January 2022, pursuant to which both parties have agreed to leverage their respective advantages and engage in strategic cooperation by enhancing their mutual capabilities in areas of project operation and management, market development, technology improvement, innovation and investment etc., with the aim of enhancing both parties' market influence and establishing a long-term, stable and "win-win" cooperative framework based on the principles of voluntariness, equality, integrity, mutual benefit and market orientation.

LISTING RULES IMPLICATIONS

The entering into of Equity Transfer Agreement (6) does not constitute a notifiable transaction under Chapter 14 of the Listing Rules on a stand-alone-basis as none of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the aforesaid is more than 5%. Further, as all of the Transactions were entered into with the Purchaser, they shall be aggregated together under Rule 14.22 of the Listing Rules for determining the percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules. Since one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the total Consideration when aggregated together is above 5% but less than 25%, and the entering into of Equity Transfer Agreement (1), Equity Transfer Agreement (2), Equity Transfer Agreement (3), Equity Transfer Agreement (4), and Equity Transfer Agreement (5) have already been disclosed in the Company's announcement dated 28 January 2022, the entering into of Equity Transfer Agreement (6) by the Group, which does not constitute a discloseable transaction for the Company on a stand-alone-basis nor a major transaction when aggregated with the other Equity Transfer Agreements, is not subject to any further reporting and announcement requirements under Chapter 14 of the Listing Rules.

By Order of the Board
Agile Group Holdings Limited
CHEUNG Lap Kei
Company Secretary

Hong Kong, 4 April 2022

As at the date of this announcement, the Board comprises eleven members, being Mr. Chen Zhuo Lin (Chairman and President), Mr. Chan Cheuk Yin** (Vice Chairperson), Madam Luk Sin Fong, Fion** (Vice Chairperson), Mr. Chan Cheuk Hung*, Mr. Huang Fengchao*, Mr. Chan Cheuk Hei**, Mr. Chan Cheuk Nam**, Dr. Cheng Hon Kwan[#], Mr. Kwong Che Keung, Gordon[#], Mr. Hui Chiu Chung, Stephen[#] and Mr. Wong Shiu Hoi, Peter[#].*

* Executive Directors

** Non-executive Directors

[#] Independent Non-executive Directors

*** for translation and identification purposes only as there is no official English translation or name