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AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

DISCLOSEABLE TRANSACTION FORMATION OF JOINT VENTURE COMPANIES

On 17 August 2016, Zhongshan Yajing (an indirect wholly-owned subsidiary of the Company), Shiguang Chuangjian, Zhongshan Shiguang and the Joint Venture Companies entered into the Joint Venture Agreement, pursuant to which Zhongshan Yajing has agreed to inject funds into the Joint Venture Companies by way of new registered capital and provision of shareholder's loans with a Total Amount of approximately RMB 1,247 million, such that the equity interests of each of the Joint Venture Companies are to be held as to 50% by Zhongshan Yajing and 50% by Zhongshan Shiguang respectively.

As one of the applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Transaction is above 5% but less than 25%, the Transaction constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement and reporting requirements under the Listing Rules.

INTRODUCTION

On 17 August 2016, Zhongshan Yajing (an indirect wholly-owned subsidiary of the Company), Shiguang Chuangjian, Zhongshan Shiguang and the Joint Venture Companies entered into the Joint Venture Agreement, pursuant to which Zhongshan Yajing has agreed to inject funds into the Joint Venture Companies by way of new registered capital and provision of shareholder's loans with a Total Amount of approximately RMB 1,247 million, such that the equity interests of each of the Joint Venture Companies are to be held as to 50% by Zhongshan Yajing and 50% by Zhongshan Shiguang respectively.

As at the date of this announcement, Shiguang Zhiye is the registered and beneficial owner of the Panshan Property. Zhongshan Haide is the registered and beneficial owner of the Dongcheng Property. Zhongshan Dongcheng and Zhongshan Mingtai are the registered and beneficial owners of the Nanlong Property. The details of the Joint Venture Agreement are set out below:

THE JOINT VENTURE AGREEMENT

Date:

17 August 2016

Parties:

- (a) Zhongshan Yajing
- (b) Shiguang Chuangjian
- (c) Zhongshan Shiguang
- (d) the Joint Venture Companies

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Shiguang Chuangjian, Zhongshan Shiguang and the Joint Venture Companies and their ultimate beneficial owners are Independent Third Parties.

Transaction

Prior to the completion of the Transaction, Zhongshan Shiguang owned 100% equity interests in each of the Joint Venture Companies. After the completion of the Transaction, Zhongshan Shiguang and Zhongshan Yajing each holds 50% equity interest in each of the Joint Venture Companies respectively.

Total Amount

Within five (5) working days upon the execution of the Joint Venture Agreement, Zhongshan Shiguang and the Joint Venture Companies shall cooperate with Zhongshan Yajing to procure the completion of the procedures for the increase in registered capital of the Joint Venture Companies and registration of such changes with the relevant PRC authority(ies). Pursuant to the Supplemental Agreement, the parties shall amend the articles of association of each of the Joint Venture Companies accordingly and register the same with the relevant PRC authority(ies) after the completion of the increase in registered capital of the Joint Venture Companies. Thereafter, Zhongshan Yajing and Shiguang Chuangjian shall procure each of the Joint Venture Companies to open a new bank account within seven (7) working days upon the completion of the relevant registration. Zhongshan Yajing has agreed to inject approximately RMB 1,247 million (the "Total Amount") in the following manner:

1. RMB 138.6 million shall be paid as new registered capital such that the equity interests of each of the Joint Venture Companies are to be held as to 50% by Zhongshan Yajing and 50% by Zhongshan Shiguang respectively in the following manner: -
 - (a) Zhongshan Yajing shall inject RMB 50 million into Shiguang Zhiye as new registered capital. Such amount was determined with reference to the existing registered capital of Shiguang Zhiye, such that Zhongshan Yajing and Zhongshan Shiguang will be holding 50% equity interest in Shiguang Zhiye respectively;
 - (b) Zhongshan Yajing shall inject RMB 50 million into Zhongshan Haide as new registered capital. Such amount was determined with reference to the existing registered capital of Zhongshan Haide, such that Zhongshan Yajing and Zhongshan Shiguang will be holding 50% equity interest in Zhongshan Haide respectively;

- (c) Zhongshan Yajing shall inject RMB 37.6 million into Zhongshan Dongcheng as new registered capital. Such amount was determined with reference to the existing registered capital of Zhongshan Dongcheng, such that Zhongshan Yajing and Zhongshan Shiguang will be holding 50% equity interest in Zhongshan Dongcheng respectively; and
 - (d) Zhongshan Yajing shall inject RMB 1 million into Zhongshan Mingtai as new registered capital. Such amount was determined with reference to the existing registered capital of Zhongshan Mingtai, such that Zhongshan Yajing and Zhongshan Shiguang will be holding 50% equity interest in Zhongshan Mingtai respectively;
2. Shareholder's loans of approximately RMB 1,108.40 million shall be provided to the Joint Venture Companies in the following manner: -
- (a) Zhongshan Yajing shall lend approximately RMB 404.16 million to Shiguang Zhiye as shareholder's loan;
 - (b) Zhongshan Yajing shall lend approximately RMB 644.17 million to Zhongshan Haide as shareholder's loan;
 - (c) Zhongshan Yajing shall lend approximately RMB 28.17 million to Zhongshan Dongcheng as shareholder's loan; and
 - (d) Zhongshan Yajing shall lend approximately RMB 31.88 million to Zhongshan Mingtai as shareholder's loan.

All of the above shareholder's loans shall accrue interest at the prevailing bank lending rate.

The Total Amount has been agreed among the parties after arm's length negotiations with reference to, amongst other things, the registered capital of each of the Joint Venture Companies, the amount invested by Zhongshan Shiguang in the Joint Venture Companies and the net asset value of the Joint Venture Companies. The Total Amount will be financed by the Group's internal resources and/or borrowings. The book value of each of the Panshan Property, Dongcheng Property and Nonlong Property is RMB 891,600,000, RMB 54,130,000 and RMB 53,630,000 respectively.

The Total Amount will be used to increase the registered capital of the Joint Venture Companies and to discharge certain existing liabilities and/or encumbrances of the Joint Venture Companies agreed by the parties. Zhongshan Shiguang and Shiguang Chuangjian shall procure the Joint Venture Companies to repay and discharge all other remaining liabilities of the Joint Venture Companies as at the date of the Joint Venture Agreement.

Exit Mechanism

Zhongshan Yajing shall be entitled to sell its equity interests in the Joint Venture Companies to Zhongshan Shiguang, Shiguang Chuangjian or a third party nominated by them on terms to be then agreed by the parties when the Joint Venture Companies have sold 85% or more of the actual saleable area of the Nanlong Property, the Panshan Property and the Dongcheng Property in registered property sales.

INFORMATION ON ZHONGSHAN SHIGUANG

Zhongshan Shiguang is a company established in January 2001 under the laws of PRC with its registered address situated in 中國廣東省中山市三鄉鎮 (Guangdong Province Zhongshanshi Sanxiangzhen***) and an Independent Third Party. Its registered capital amounts to RMB 100 million. Its main businesses include property development and renting out commercial properties and premises.

INFORMATION ON THE JOINT VENTURE COMPANIES

As at the date of this announcement, Shiguang Zhiye is the registered and beneficial owner of the Panshan Property. Zhongshan Haide is the registered and beneficial owner of the Dongcheng Property. Zhongshan Dongcheng and Zhongshan Mingtai are the registered and beneficial owners of the Nanlong Property.

INFORMATION OF THE PROPERTIES

The Panshan Property is a piece of land known as 中山市畔山中心城 (Zhongshanshi Panshan Centre City***) situated at 中山市三鄉鎮大布村高園 (Zhongshanshi Sanxiangzhen Dabucun Gaoyuan***) with a site area of approximately 181,666.9 square metres and plot ratio of 1.5 registered under 粵(2016) 中山市不動產權第 0118648 號 (State-owned land use rights certificate Yue (2016) Zhongshanshi Real Estate Rights No. 0118648***).

The Dongcheng Property is a piece of land known as 中山市東城麓峰 (Zhongshanshi Dongcheng Lufeng***) situated at 中山市火炬開發區宮花村 (Zhongshanshi Huoju Kaifaqu Gonghuacun***) with a site area of approximately 173,542.88 square metres and plot ratio of 1.5 registered under 中府國用(2004)第 150711, 150712 號, 中府國用(2003)第易 151873 號, 中府國用(2004)第易 152573, 153469 號(State-owned land use rights certificates Zhongfu Guoyong (2004) No. 150711, 150712, Zhongfu Guoyong (2003) No. Yi 151873, Zhongfu Guoyong (2004) No. Yi 152573 ,153469***) in which an area of approximately 10,747.9 square metres was expropriated by 中山火炬高技術產業開發區管理委員會(Zhongshan Huoju Gaojishuchanye Kaifaqu Management Committee***) and Zhongshan Haide had signed a compensation agreement with the relevant PRC authority(ies).

The Nanlong Property is a piece of land known as 中山市南龍天麓 (Zhongshanshi Nanlong Tianlu***) situated at 中山市三鄉鎮南龍村鯉魚嘴 (Zhongshanshi Sanxiangzhen Nanlongcun liyuzui***) with a site area of approximately 65,776 square metres registered under 中府國用(2007)第易 310992 號, 中府國用(2008)第 310171 號 (State-owned land use rights certificates Zhongfu Guoyong (2007) No. Yi 310992, Zhongfu Guoyong (2008) No. 310171***).

INFORMATION ON PROPOSED DEVELOPMENT

The Nanlong Property is currently used for the development of villa houses. The Panshan Property and Dongcheng Property are for commercial and residential purposes. The Properties are not adjacent to each other.

FINANCIAL INFORMATION OF THE JOINT VENTURE COMPANIES

Set out below is the unaudited financial information of the Joint Venture Companies for the two years ended 31 December 2015 prepared in accordance with generally accepted accounting principles in the PRC, as provided by Zhongshan Shiguang:

Shiguang Zhiye

	For the year ended 31 December	
	2014	2015
	(RMB)	
Net profit (before taxation)	(1,750)	(1,750)
Net profit (after taxation)	(1,750)	(1,750)

Zhongshan Haide

	For the year ended 31 December	
	2014	2015
	(RMB)	
Net profit (before taxation)	0	0
Net profit (after taxation)	0	0

Zhongshan Dongcheng

	For the year ended 31 December	
	2014	2015
	(RMB)	
Net profit (before taxation)	(4,020)	(4,020)
Net profit (after taxation)	(4,020)	(4,020)

Zhongshan Mingtai

	For the year ended 31 December	
	2014	2015
	(RMB)	
Net profit (before taxation)	0	0
Net profit (after taxation)	0	0

INFORMATION OF THE GROUP

The Group is one of the leading property developers in China and is principally engaged in the development of large-scale comprehensive property projects, with extensive presence in the businesses of hotel operations, property investment, property management and environmental protection.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Board believes that the stable economic growth in the PRC, coupled with a relatively easy keynote of policies over the property market, have continued to release the demand of first time home buyers, contributing to a quick pick-up in the trading volume in the market. To the Board's knowledge, it is intended that the Panshan Property, the Dongcheng Property and the Nanlong Property will be developed for commercial and residential purposes. The Board considers that the Transaction will enable the Group to generate income and provide capital appreciation potential to the Group.

In view of the above, the Directors are of the view that the terms of the Joint Venture Agreement are fair and reasonable and the Transaction is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Transaction is above 5% but less than 25%, the Transaction constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement and reporting requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings set out below:

“Board”	board of Directors of the Company;
“Company”	Agile Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 14 July 2005, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Dongcheng Property”	being a piece of land known as 中山市東城麓峰 (Zhongshanshi Dongcheng Lufeng***) situated at 中山市火炬開發區宮花村 (Zhongshanshi Huoju Kaifagu Gonghuacun***) with a site area of approximately 173,542.88 square metres and plot ratio of 1.5 registered under 中府國用(2004)第150711, 150712號, 中府國用(2003)第易151873號, 中府國用(2004)第易152573, 153469號 (State-owned land use rights certificates Zhongfu Guoyong (2004) No. 150711, 150712, Zhongfu Guoyong (2003) No. Yi 151873, Zhongfu Guoyong (2004) No. Yi 152573 ,153469***) in which an area of approximately 10,747.9 square metres was expropriated by 中山火炬高技術產業開發區管理委員會 (Zhongshan Huoju Gaojishuchanye Kaifagu Management Committee***) and Zhongshan Haide had signed a compensation agreement with the relevant PRC authority(ies);

“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	Person(s) or company(ies) who/which is(are) independent of the Company and its connected persons;
“Joint Venture Agreement”	the joint venture framework agreement dated 17 August 2016 entered into between Zhongshan Yajing, Shiguang Chuangjian, Zhongshan Shiguang and the Joint Venture Companies as amended and supplemented by the Supplemental Agreement;
“Joint Venture Companies”	Shiguang Zhiye, Zhongshan Haide, Zhongshan Dongcheng and Zhongshan Mingtai;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nanlong Property”	being a piece of land known as 中山市南龍天麓 (Zhongshanshi Nanlong Tianlu***) situated at 中山市三鄉鎮南龍村鯉魚嘴 (Zhongshanshi Sanxiangzhen Nanlongcun liyuzui***) with a site area of approximately 65,776 square metres registered under 中府國用(2007)第易310992號, 中府國用(2008)第310171號 (State-owned land use rights certificates Zhongfu Guoyong (2007) No. Yi 310992, Zhongfu Guoyong (2008) No. 310171***);
“Panshan Property”	being a piece of land known as 中山市畔山中心城 (Zhongshanshi Panshan Centre City***) situated at 中山市三鄉鎮大布村高園 (Zhongshanshi Sanxiangzhen Dabucun Gaoyuan***) with a site area of approximately 181,666.9 square metres and plot ratio of 1.5 registered under 粵(2016)中山市不動產權第0118648號 (State-owned land use rights certificate Yue (2016) Zhongshanshi Real Estate Rights No. 0118648***);
“percentage ratios”	has the same meaning ascribed to it under the Listing Rules;
“RMB”	Renminbi, the lawful currency of the PRC;
“PRC”	the People’s Republic of China;
“Properties”	Dongcheng Property, Nanlong Property and Panshan Property;
“Shiguang Chuangjian”	中山市世光創建集團有限公司 (Zhongshanshi Shiguang Chuangjian Group Company Limited***), a company established under the laws of PRC and an Independent Third Party;

“Shiguang Zhiye”	中山市世光創建置業有限公司 (Zhongshanshi Shiguang Chuangjian Zhiye Company Limited***), a company established under the laws of PRC on 7 June 2006 with limited liability;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“Supplemental Agreement”	the supplemental agreement dated 18 August 2016 entered into between Zhongshan Yajing, Shiguang Chuangjian, Zhongshan Shiguang and the Joint Venture Companies amending and supplementing the terms of the Joint Venture Agreement;
“Transaction”	the formation of the Joint Ventures Companies by Zhongshan Yajing with Zhongshan Shiguang in accordance with the terms and conditions of the Joint Venture Agreement;
“Total Amount”	The total amount of increase in registered capital and the total amount of shareholder’s loans provided by Zhongshan Yajing for the Transaction, being approximately RMB 1,247 million;
“working day(s)”	a day (other than Saturday) on which the banks are open for business in the PRC;
“Zhongshan Dongcheng”	中山市東城實業發展有限公司 (Zhongshanshi Dongcheng Real Estate Development Company Limited***), a company established under the laws of PRC on 14 October 2005 with limited liability;
“Zhongshan Haide”	中山市海德房地產開發有限公司 (Zhongshanshi Haide Property Development Limited***), a company established under the laws of PRC on 21 October 2003 with limited liability;
“Zhongshan Mingtai”	中山市名泰房地產開發有限公司 (Zhongshangshi Mingtai Property Development Company Limited***), a company established under the laws of PRC on 27 September 2007 with limited liability;
“Zhongshan Shiguang”	中山市世光創建實業有限公司 (Zhongshanshi Shiguang Chuangjian Industrial Company Limited***), a company established in January 2001 under the laws of PRC with registered address situated in 中國廣東省中山市三鄉鎮 (Guangdong Province Zhongshanshi Sanxiangzhen ***) and an Independent Third Party;

“Zhongshan Yajing”

中山市雅景房地產開發有限公司 (Zhongshan Yajing Real Estate Development Co., Ltd.***), a company established in under the laws of the PRC with limited liability on 27 January 2011 and an indirect wholly-owned subsidiary of the Company; and

“%”

per cent.

By Order of the Board
Agile Group Holdings Limited
Chen Zhuo Lin
Chairman and President

Hong Kong, 28 October 2016

As at the date of this announcement, the Board comprises thirteen 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. Chen Zhongqi*, Mr. Chan Cheuk Hei**, Mr. Chan Cheuk Nam**, Dr. Cheng Hon Kwan#, Mr. Kwong Che Keung, Gordon#, Mr. Cheung Wing Yui, Edward#, 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*