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AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

PROPOSED SPIN-OFF AND SEPARATE LISTING OF A-CITY GROUP LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

THE PROPOSED SPIN-OFF

The Company proposes to spin-off and separately list the shares of A-City, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the A-City Shares on the main board of the Stock Exchange constitutes a spin-off of A-City by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

A-CITY'S APPLICATION FOR LISTING

On 24 June 2020, A-City submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the A-City Shares on the main board of the Stock Exchange. It is intended that A-City will conduct an offering of its new shares in connection with the Listing. It is intended that Qualifying Shareholders will be provided with an assured entitlement to the A-City Shares under the Share Offer of the Proposed Spin-off, subject to certain conditions. Details of such assured entitlement have not yet been finalised and the Company will make further announcement(s) in this regard as and when appropriate.

Upon completion of the Proposed Spin-off and Listing, the Company is expected to have an interest of not less than 50% in A-City and A-City will remain as a subsidiary of the Company.

The Spin-off Group is principally engaged in the provision of (i) ecological landscaping services, and (ii) intelligent home and decoration services.

LISTING RULES IMPLICATIONS

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. As each of the applicable ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off is less than 5%, the Proposed Spin-off does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and the Proposed Spin-off will not be subject to the approval of the Shareholders.

GENERAL

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of A-City, market conditions and other considerations, the Proposed Spin-off may or may not occur. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Company proposes to spin-off and separately list the shares of A-City, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the A-City Shares on the main board of the Stock Exchange constitutes a spin-off of A-City by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

On 24 June 2020, A-City submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the A-City Shares on the main board of the Stock Exchange.

THE PROPOSED SPIN-OFF

The Proposed Spin-off involves the spin-off and separate listing of the A-City Shares on the main board of the Stock Exchange by way of a Share Offer by A-City. The details of the Share Offer have yet to be finalised. As at the date of this announcement, A-City is indirectly owned as to 93.35% by the Company. It is intended that upon completion of the Proposed Spin-off and the Listing, the Company will have an interest of not less than 50% in A-City and A-City will remain as a subsidiary of the Company.

THE SPIN-OFF GROUP

The Spin-off Group is principally engaged in the provision of (i) ecological landscaping services, and (ii) intelligent home and decoration services. It is a leading ecological habitat service provider in the PRC, committed to providing customers with a green living experience through ecological outdoor landscapes and quality indoor ambience. As at 31 December 2019, the Spin-off Group's operations spanned 119 cities in 27 provinces across the PRC.

RATIONALE AND BENEFITS OF THE PROPOSED SPIN-OFF

The Company considers that it is commercially desirable and in the interest of the shareholders of the Company to effect the Proposed Spin-off as the Proposed Spin-off is expected to create greater value for the Company and its shareholders as a whole for the following reasons:

- (a) the Proposed Spin-off will allow the Company and its shareholders an opportunity to ascribe a market value of its investment in the Spin-off Group;
- (b) the Proposed Spin-off will enable the Spin-off Group to build its identity as a separately listed group, and have a separate fund-raising platform to access public and private capital. The Proposed Spin-off would allow the Spin-off Group to gain direct access to the capital markets for equity and/or debt financing to fund its existing operations and future expansion, thereby allowing for the acceleration of the expansion and improving the operating and financial performance of the Spin-off Group. This will in turn help to achieve a better financial return to the shareholders of both the Retained Group and the Spin-off Group;
- (c) as a separately listed group, the Spin-off Group will be able to build on its reputation further and be in a better position to negotiate and solicit more business, including as a platform to service property developers other than the Company, and the Company will in turn be able to benefit from the growth of the Spin-off Group through its shareholding in A-City;
- (d) the Proposed Spin-off will enable the Spin-off Group to enhance its corporate profile and broaden its investor base, including increasing its ability to attract strategic investors, which could provide synergies for the Spin-off Group, for investment in, and forming strategic partnerships directly with, the Spin-off Group; in particular the separate listing will enable investors to appraise and assess the value and operating performance of the Spin-off Group separately and distinctly from the business of the Retained Group; and
- (e) the Proposed Spin-off would enable a more focused development, strategic planning and better allocation of resources for the Retained Group and the Spin-off Group with respect to their respective businesses given their distinctive cost structures and business models. Both the Retained Group and the Spin-off Group would benefit from a more efficient decision-making process under the separate management structure for seizing emerging business opportunities, especially with a dedicated management team for the Spin-off Group to focus on its development.

ASSURED ENTITLEMENT AND FURTHER ANNOUNCEMENT

The Board will give due regard to the interests of the Shareholders by providing the Qualifying Shareholders with an assured entitlement to A-City Shares under the Share Offer, subject to certain conditions, if the Board and the board of A-City decide to proceed with the Proposed Spin-off and the Share Offer, and the Listing Committee has approved the Listing. Details of such assured entitlement have not yet been finalised. The Company will make further announcement(s) in this regard as and when appropriate.

INFORMATION ON THE GROUP

The Group is one of the leading property developers in the PRC 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.

LISTING RULES IMPLICATIONS

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. As each of the applicable ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off is less than 5%, the Proposed Spin-off does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and the Proposed Spin-off will not be subject to the approval of the Shareholders.

GENERAL

A redacted form of the application proof of A-City's listing document (the "**Application Proof**") is expected to be available for reviewing and downloading on the Stock Exchange's website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.htm>. The Application Proof contains, among other things, certain business and financial information relating to the Spin-off Group. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which may be material.

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of A-City, market conditions and other considerations, the Proposed Spin-off may or may not occur. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“A-City”	A-City Group Limited (雅居樂雅城集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands;
“A-City Shares”	ordinary shares of HK\$0.01 each in the share capital of A-City;
“Board”	the board of the Company;
“Company”	Agile Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing”	the listing of the A-City Shares on the main board of the Stock Exchange;
“Listing Committee”	the Listing Committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date and whose addresses as shown in such register are in any of the specified territories and any Shareholders or beneficial Shareholders at that time who are otherwise known by the Company to be resident in any of the specified territories;
“PN15”	Practice Note 15 to the Listing Rules;
“PRC”	the People’s Republic of China;
“Proposed Spin-off”	the proposed spin-off and separate listing of the A-City Shares on the main board of the Stock Exchange;

“Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date, other than Non-Qualifying Shareholders;
“Record Date”	the record date for ascertaining the Qualifying Shareholders who shall be entitled to assured entitlements;
“Retained Group”	the Company and its subsidiaries, excluding the Spin-off Group;
“Shareholder(s)”	shareholders of the Company;
“Share Offer”	the offer to the public in Hong Kong for subscription, and the international placing with certain professional and institutional investors and other investors (including the preferential offer to the Qualifying Shareholder(s)), of the A-City Shares;
“Spin-off Group”	A-City and its subsidiaries;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	percentage.

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

Hong Kong, 24 June 2020

As at the date of this announcement, the Board comprises twelve 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. Hui Chiu Chung, Stephen# and Mr. Wong Shiu Hoi, Peter#.*

* *Executive Directors*

** *Non-executive Directors*

Independent Non-executive Directors