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AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

DISCLOSEABLE TRANSACTION PROVISION OF GUARANTEE

PROVISION OF GUARANTEE

On 19 May 2022, the Project Company (as borrower) and the Bank entered into the Facility Agreement pursuant to which the Bank has agreed, subject to the terms and conditions contained therein, to grant to the Project Company, the Facility in an aggregate principal amount of up to RMB650,000,000. The Project Company is owned as to 35% by Qidong Ruichen and 65% by Qidong Boermei. Qidong Boermei is owned as to 40%, 40% and 20% by the Group, Jiangsu Longxin, and Xinghe Investment respectively.

As part of the security for the due performance of the repayment obligations of the Borrower to the Bank under the Facility Agreement, Panyu Agile (an indirect wholly-owned subsidiary of the Company) and Jiangsu Longxin entered into the Panyu Agile Guarantee Agreement and Jiangsu Longxin Guarantee Agreement in favour of the Bank on 19 May 2022 respectively, pursuant to which each of Panyu Agile and Jiangsu Longxin agreed to provide an irrevocable guarantee for the due performance of the repayment obligations of the Project Company to the Bank under the Facility Agreement.

It is intended that the repayment obligations of the Project Company in respect of the Facility under the Facility Agreement shall be guaranteed by the Group, Jiangsu Longxin and Xinghe Investment in proportion to their respective equity interests in Qidong Boermei. Accordingly, on 19 May 2022, Panyu Agile issued the Counter Guarantee Letter to Jiangsu Longxin providing a counter guarantee to Jiangsu Longxin in respect of 40% of the guaranteed obligations of Jiangsu Longxin under the Jiangsu Longxin Guarantee Agreement, whereas each of Jiangsu Longxin and Xinghe Investment issued a counter guarantee letter to Panyu Agile providing a counter guarantee in respect of 40% and 20% of the guaranteed obligations of Panyu Agile respectively under the Panyu Agile Guarantee Agreement in proportion to their respective equity interests in Qidong Boermei.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Transaction Documents are above 5% but below 25%, the entering into of the Transaction Documents constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules, but is exempted from the requirement of shareholders' approval.

PROVISION OF GUARANTEE

On 19 May 2022, the Project Company (as borrower) and the Bank entered into the Facility Agreement pursuant to which the Bank has agreed, subject to the terms and conditions contained therein, to grant to the Project Company, the Facility in an aggregate principal amount of up to RMB650,000,000, which shall be used by the Project Company for the development of its property project in respect of the Land. The Project Company is owned as to 35% by Qidong Ruichen and 65% by Qidong Boermei. Qidong Boermei is owned as to 40%, 40% and 20% by the Group, Jiangsu Longxin, and Xinghe Investment respectively. As part of the security for the due performance of the repayment obligations of the Borrower to the Bank under the Facility Agreement, Panyu Agile (an indirect wholly-owned subsidiary of the Company) and Jiangsu Longxin entered into the Panyu Agile Guarantee Agreement and Jiangsu Longxin Guarantee Agreement in favour of the Bank on 19 May 2022 respectively, pursuant to which each of Panyu Agile and Jiangsu Longxin agreed to provide an irrevocable guarantee for the due performance of the repayment obligations of the Project Company to the Bank under the Facility Agreement.

THE PANYU AGILE GUARANTEE AGREEMENT

The principal terms of the Panyu Agile Guarantee Agreement are as follows:

Date : 19 May 2022

Parties : 1. Panyu Agile (as guarantor); and
2. the Bank

Subject matter : Panyu Agile shall provide an irrevocable guarantee in favour of the Bank for the due performance of the repayment obligations of the Project Company in respect of the Facility (with an aggregate principal amount of up to RMB650,000,000) under the Facility Agreement.

In the event where the Project Company fails to repay any of its debts that fall due under the Facility Agreement, the Bank shall be entitled to exercise its rights under the Panyu Agile Guarantee Agreement, in which Panyu Agile shall immediately and unconditionally repay any corresponding sums to the Bank in full.

Scope of the guarantee : The scope of the guarantee includes:

1. the principal, interests, handling fees and other fees, default payments, damages, compensation, debt recovery expenses (including without limitation, litigation costs, legal costs, attestation fees and enforcement costs) and any other expenses and payments payable by the Project Company to the Bank under the Facility Agreement;
2. all expenses incurred by the Bank in exercising its rights under the Panyu Agile Guarantee Agreement (including without limitation, litigation costs, legal costs, attestation fees and enforcement costs); and
3. all default payments and any other payment obligations of Panyu Agile arising from the Panyu Agile Guarantee Agreement.

Term : Commencing from the date of signing the Panyu Agile Guarantee Agreement up to three (3) years from the expiry of the performance obligations of the Project Company under the Facility Agreement. If the debts owed by the Project Company to the Bank are due on different dates, then the term of the guarantee provided by Panyu Agile for such debts shall be calculated in accordance therewith.

Counter Guarantee Letter

It is intended that the repayment obligations of the Project Company in respect of the Facility under the Facility Agreement shall be guaranteed by the Group, Jiangsu Longxin and Xinghe Investment in proportion to their respective equity interests in Qidong Boermei.

Accordingly, on 19 May 2022, Panyu Agile issued the Counter Guarantee Letter to Jiangsu Longxin in respect of the Jiangsu Longxin Guarantee Agreement. Pursuant to such letter, in the event where Jiangsu Longxin is required to fulfil its guarantee obligations under the Jiangsu Longxin Guarantee Agreement, Jiangsu Longxin shall have the right to directly request Panyu Agile to pay to Jiangsu Longxin for such amount equivalent to 40% of all sums payable by Jiangsu Longxin to the Bank under the Jiangsu Longxin Guarantee Agreement. The period of the counter guarantee shall commence from the date of the issuing the Counter Guarantee Letter up to the date of discharge of all performance obligations of Jiangsu Longxin under the Jiangsu Longxin Guarantee Agreement or the fulfilment of all payment obligations by Panyu Agile towards Jiangsu Longxin under the Counter Guarantee Letter.

Similarly, each of Jiangsu Longxin and Xinghe Investment also issued a counter guarantee letter to Panyu Agile in respect of the Panyu Agile Guarantee Agreement on 19 May 2022. Pursuant to such letters, in the event where Panyu Agile is required to fulfil its guarantee obligations under the Panyu Agile Guarantee Agreement, Panyu Agile shall have the right to directly request Jiangsu Longxin and Xinghe Investment to pay to Panyu Agile for such amounts equivalent to 40% and 20% of all sums payable by Panyu Agile to the Bank under the Panyu Agile Guarantee Agreement respectively. The period of such counter guarantees shall commence from the date of the aforesaid counter guarantee letters up to date of discharge of all performance obligations of Panyu Agile under the Panyu Agile Guarantee Agreement or the fulfilment of all payment obligations by Jiangsu Longxin and Xinghe Investment towards Panyu Agile under the respective counter guarantee letters.

INFORMATION OF THE PARTIES

Information of the Group

The Group is one of the leading property developers in the PRC and is principally engaged in the development of large-scale mixed-use property projects, with extensive presence in the businesses of property management, environmental protection and construction.

Panyu Agile is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. Panyu Agile is principally engaged in the development and management of real property, real property consultancy services and property leasing services.

Nantong Yaxin is a company established in the PRC with limited liability and is an indirect non wholly-owned subsidiary of Panyu Agile. It is principally engaged in the provision of business management and consultancy services.

Information of the Project Company, Qidong Boermei and Qidong Ruichen

The Project Company is a company established in the PRC with limited liability which is mainly engaged in property development. It is owned as to 65% by Qidong Boermei and 35% by Qidong Ruichen. The principal asset of the Project Company is the Land, which is a land parcel situated at the south of Shiji Main Road and the east of Huashi Road of Qidong City, Jiangsu Province, the PRC (中國江蘇省啟東市世紀大道南、華石路東) with a total land area of 37,537 square metres, which is intended to be developed into residential properties. It is currently under construction which is expected to be completed by the end of 2024.

Qidong Ruichen is a company established in the PRC with limited liability which is mainly engaged in the provision of business management services as well as advisory services in relation to finance, planning and information technology. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Qidong Ruichen and its ultimate beneficial owners are Independent Third Parties.

Qidong Boermei is a company established in the PRC with limited liability which is mainly engaged in the retail and wholesale of furniture and building materials. As at the date of this announcement, it is owned as to 40%, 40% and 20% by Nantong Yaxin, Jiangsu Longxin and Xinghe Investment respectively.

Information of the Bank, Jiangsu Longxin and Xinghe Investment

The Bank is the Nantong Branch of China Bohai Bank Co., Ltd., a licensed bank in the PRC and a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 9668). The Bank is principally engaged in banking and related financial services.

Jiangsu Longxin is a company incorporated in the PRC with limited liability, which is principally engaged in property development, planting, leasing of mechanical equipment, and the wholesale and retail of building materials.

Xinghe Investment is a company incorporated in the PRC with limited liability, which is principally engaged in the provision of investment services and investment consultancy services.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Bank, Jiangsu Longxin and Xinghe Investment and their respective ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTION DOCUMENTS

The Guarantee is provided as a security to enable the Project Company to obtain the Facility for the development of its property project in respect of the Land. The Directors believe that developing such project is beneficial to the Company as the sale of the residential property units thereof will generate additional cash flow for the Group and facilitate the growth of the Group's business in the eastern region of the PRC.

Given the Facility is provided by a licensed bank in the PRC at arms' length and on normal commercial terms, and in light of the counter guarantees being provided by each of Jiangsu Longxin and Xinghe Investment in proportion to their respective equity interests in Qidong Boermei, the Directors (including the independent non-executive Directors) consider that the terms of the Transaction Documents are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Transaction Documents are above 5% but below 25%, the entering into of the Transaction Documents constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules, but is exempted from the requirement of shareholders' approval.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Bank”	China Bohai Bank Co., Ltd., Nantong Branch;
“Board”	the board of Directors;
“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 (stock code: 3383);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Counter Guarantee Letter”	the counter guarantee letter issued by Panyu Agile to Jiangsu Longxin on 19 May 2022 providing a counter guarantee to Jiangsu Longxin in respect of 40% of the guaranteed obligations of Jiangsu Longxin under the Jiangsu Longxin Guarantee Agreement;
“Directors”	the directors of the Company;
“Facility”	the loan facility with the aggregate principal amount of up to RMB650,000,000 granted by the Bank to the Project Company under the Facility Agreement, which shall be used by the Project Company for the development of its property project in respect of the Land;
“Facility Agreement”	the facility agreement dated 19 May 2022 entered into between the Project Company and the Bank in respect of the grant of the Facility by the Bank to the Project Company;
“Guarantee”	the guarantee provided by Panyu Agile to the Bank under the Panyu Agile Guarantee Agreement to guarantee the due performance of the repayment obligations of the Project Company in respect of the Facility under the Facility Agreement;
“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 person(s);

“Jiangsu Longxin”	江蘇龍信置業有限公司 (Jiangsu Longxin Real Estate Co., Ltd.***), a company established in the PRC with limited liability;
“Jiangsu Longxin Guarantee Agreement”	the guarantee agreement dated 19 May 2022 entered into between Jiangsu Longxin and the Bank, pursuant to which Jiangsu Longxin agreed to provide a guarantee in favour of the Bank to guarantee the due performance of the repayment obligations of the Project Company in respect of the Facility under the Facility Agreement;
“Land”	the principal asset of the Project Company, details of which are set out in the section headed “Information of the Parties — Information of the Project Company, Qidong Boermei and Qidong Ruichen” of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Nantong Yaxin”	南通雅信企業管理諮詢有限公司 (Nantong Yaxin Business Management Consultancy Co., Ltd.***), a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of Panyu Agile;
“Panyu Agile”	廣州番禺雅居樂房地產開發有限公司 (Guangzhou Panyu Agile Realty Development Co., Ltd.***), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Panyu Agile Guarantee Agreement”	the guarantee agreement dated 19 May 2022 entered into between Panyu Agile and the Bank in respect of the Guarantee;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan;
“Project Company”	啟東市信雅房地產開發有限公司(Qidong Xinya Property Development Co., Ltd.***), a company established in the PRC with limited liability;
“Qidong Boermei”	啟東博爾美貿易有限公司(Qidong Boermei Trading Co., Ltd.***), a company established in the PRC with limited liability;

“Qidong Ruichen”	啟東市瑞晨企業管理有限公司(Qidong Ruichen Business Management Co., Ltd***), a company established in the PRC with limited liability;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholders”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transaction Documents”	the Panyu Agile Guarantee Agreement and the Counter Guarantee Letter;
“Xinghe Investment”	星合投資(上海)有限公司 (Xinghe Investment (Shanghai) Co., Ltd.***), a company established in the PRC with limited liability; and
“%”	per cent.

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

Hong Kong, 19 May 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*