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## **AGILE GROUP HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3383)**

### **DISCLOSEABLE TRANSACTIONS DISPOSAL OF EQUITY INTERESTS IN TWO PROJECT COMPANIES AND ASSIGNMENTS OF RELATED SHAREHOLDER'S LOANS**

#### **DISPOSAL OF EQUITY INTERESTS IN TWO PROJECT COMPANIES AND ASSIGNMENTS OF RELATED SHAREHOLDER'S LOANS**

The Board is pleased to announce that on 1 September 2022, (i) Beijing Yaxin and Beijing Yajian (as Vendors) entered into Equity Transfer Agreement A with the Purchaser and Project Company A, pursuant to which the Vendors conditionally agreed to sell and assign, and the Purchaser conditionally agreed to purchase and take assignment of, Equity Interest A, Sale Loan I and Sale Loan II at a total consideration of RMB520,000,000.00; and (ii) the Vendors, the Purchaser and Project Company B entered into Equity Transfer Agreement B, pursuant to which the Vendors conditionally agreed to sell and assign, and the Purchaser conditionally agreed to purchase and take assignment of, Equity Interest B, Sale Loan III and Sale Loan IV at a total consideration of RMB160,000,000.00. The aggregate consideration of the Transactions amounted to RMB680,000,000.00.

#### **IMPLICATIONS UNDER THE LISTING RULES**

Since the Equity Transfer Agreements were entered into by the Group with the same Purchaser, the entering into of Equity Transfer Agreement A and Equity Transfer Agreement B should be aggregated as if they were one transaction pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules for the Transactions, when aggregated as a whole, exceed(s) 5% but is/are less than 25%, the Transactions together constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules, but are exempted from the requirement of shareholders' approval.

The Board is pleased to announce that on 1 September 2022, (i) Beijing Yaxin and Beijing Yajian (as Vendors) entered into Equity Transfer Agreement A with the Purchaser and Project Company A, pursuant to which the Vendors conditionally agreed to sell and assign, and the Purchaser conditionally agreed to purchase and take assignment of, Equity Interest A, Sale Loan I and Sale Loan II at a total consideration of RMB520,000,000.00; and (ii) the Vendors, the Purchaser and Project Company B entered into Equity Transfer Agreement B, pursuant to which the Vendors conditionally agreed to sell and assign, and the Purchaser conditionally agreed to purchase and take assignment of, Equity Interest B, Sale Loan III and Sale Loan IV at a total consideration of RMB160,000,000.00. The aggregate consideration of the Transactions amounted to RMB680,000,000.00.

The principal terms of the Equity Transfer Agreements are summarised below:

#### **EQUITY TRANSFER AGREEMENT A**

##### **Date**

1 September 2022

##### **Parties**

- (a) the Vendors (Beijing Yaxin and Beijing Yajian);
- (b) the Purchaser (holder of 50% equity interest in Project Company A); and
- (c) Project Company A.

##### **Subject matter**

Pursuant to Equity Transfer Agreement A:

- (a) Beijing Yaxin conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, approximately 39.44% equity interest in Project Company A (with a corresponding registered capital of RMB560,000,000.00 that has been fully paid-up), and Beijing Yaxin conditionally agreed to assign, and the Purchaser conditionally agreed to take up the assignment of, Sale Loan I; and

- (b) Beijing Yajian conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, approximately 10.56% equity interest in Project Company A (with a corresponding registered capital of RMB150,000,000.00 that has been fully paid-up), and Beijing Yajian conditionally agreed to assign, and the Purchaser conditionally agreed to take up the assignment of, Sale Loan II.

Project Company A owns the land use rights over Property A, details of which are set out in the section headed “Information of the Parties — Information of Project Companies — Project Company A” below.

### **Consideration and payment terms**

The Purchaser shall pay an aggregate consideration of RMB520,000,000.00 to the Vendors, in which:

- (a) the Purchaser shall pay a total consideration of RMB488,424,900.00 to Beijing Yaxin, comprising (i) RMB8,424,900.00 for the transfer of approximately 39.44% equity interest in Project Company A; and (ii) RMB480,000,000.00 for the assignment of Sale Loan I;
- (b) the Purchaser shall pay a total consideration of RMB31,575,100.00 to Beijing Yajian, comprising (i) RMB2,256,600.00 for the transfer of approximately 10.56% equity interest in Project Company A; and (ii) RMB29,318,500.00 for the assignment of Sale Loan II.

The consideration shall be paid in cash in the following manner:

- (a) on the date of signing Equity Transfer Agreement A, the Purchaser shall pay RMB438,424,900.00 to Beijing Yaxin (representing (i) the entire consideration for the transfer of the relevant equity interest in the sum of RMB8,424,900.00; and (ii) the partial consideration of the assignment of Sale Loan I in the sum of RMB430,000,000.00 and RMB31,575,100.00 to Beijing Yajian (representing the entire consideration for the transfer of the relevant equity interest and the assignment of Sale Loan II); and
- (b) the remaining balance of the consideration for the assignment of Sale Loan I in the sum of RMB50,000,000.00 shall be paid by the Purchaser into the bank account designated by Beijing Yaxin on or before 30 September 2022.

The consideration under Equity Transfer Agreement A was determined on normal commercial terms and after arm's length negotiations between the Vendors and the Purchaser with reference to, amongst others, (i) the appraised net asset value of Project Company A of approximately RMB10.9 million as at 31 August 2022 attributable to Equity Interest A according to the valuation report issued by an independent valuer; (ii) the respective amounts of Sale Loan I and Sale Loan II as at the date of this announcement; (iii) the historical performance and financial position of Project Company A; and (iv) the current property market conditions in the PRC.

### **Completion**

The assignment of Sale Loan I and Sale Loan II shall take place immediately after the signing of Equity Transfer Agreement A.

The parties shall, within two business days from the date of signing Equity Transfer Agreement A, prepare, execute and file all relevant documentation and complete all necessary procedures to register and effect the transfer of Equity Interest A, the changes in director(s) and supervisor(s) (in which the existing personnel shall be replaced by individuals nominated by the Purchaser) as well as holders of equity interest in respect of Project Company A with the relevant administration of industry and commerce. Completion of the transfer of Equity Interest A shall be deemed to have taken place on the date when the registration of such transfer and the aforesaid changes in management personnel and holders of equity interest are completed with the relevant administration of industry and commerce.

In addition, the parties will cooperate to obtain the release of all guarantees given by the Company in respect of the liabilities of Project Company A after the date of completion of the transfer of Equity Interest A by the Vendors to the Purchaser.

### **EQUITY TRANSFER AGREEMENT B**

#### **Date**

1 September 2022

#### **Parties**

- (a) the Vendors (Beijing Yaxin and Beijing Yajian);
- (b) the Purchaser (holder of 50% equity interest in Project Company B); and
- (c) Project Company B.

## **Subject matter**

Pursuant to Equity Transfer Agreement B:

- (a) Beijing Yaxin conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, approximately 38.10% equity interest in Project Company B (with a corresponding registered capital of RMB160,000,000.00 that has been fully paid-up), and Beijing Yaxin conditionally agreed to assign, and the Purchaser conditionally agreed to take up the assignment of, Sale Loan III; and
- (b) Beijing Yajian conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, approximately 11.90% equity interest in Project Company B (with a corresponding registered capital of RMB50,000,000.00 that has been fully paid-up), and Beijing Yajian conditionally agreed to assign, and the Purchaser conditionally agreed to take up the assignment of, Sale Loan IV.

Project Company B owns the land use rights over Property B, details of which are set out in the section headed “Information of the Parties — Information of Project Companies — Project Company B” below.

## **Consideration and payment terms**

The Purchaser shall pay an aggregate consideration of RMB160,000,000.00 to the Vendors, in which:

- (a) the Purchaser shall pay a total consideration of RMB126,459,700.00 to Beijing Yaxin, comprising (i) RMB3,809,600.00 for the transfer of approximately 38.10% equity interest in Project Company B; and (ii) RMB122,650,100.00 for the assignment of Sale Loan III;
- (b) the Purchaser shall pay a total consideration of RMB33,540,300.00 to Beijing Yajian, comprising (i) RMB1,190,400.00 for the transfer of approximately 11.90% equity interest in Project Company B; and (ii) RMB32,349,900.00 for the assignment of Sale Loan IV.

The consideration shall be paid in cash in the following manner:

- (a) on the date of signing Equity Transfer Agreement B, the Purchaser shall pay RMB46,459,700.00 to Beijing Yaxin (representing (i) the entire consideration for the transfer of the relevant equity interest in the sum of RMB3,809,600.00; and (ii) the partial consideration of the assignment of Sale Loan III in the sum of RMB42,650,100.00 and RMB33,540,300.00 to Beijing Yajian (representing the entire consideration for the transfer of the relevant equity interest and the assignment of Sale Loan IV); and

- (b) the remaining balance of the consideration for the assignment of Sale Loan III in the sum of RMB80,000,000.00 shall be paid by the Purchaser into the bank account designated by Beijing Yaxin on or before 18 October 2022.

The consideration under Equity Transfer Agreement B was determined on normal commercial terms and after arm's length negotiations between the Vendors and the Purchaser with reference to, amongst others, (i) the appraised net asset value of Project Company B of approximately RMB5.4 million as at 31 August 2022 attributable to Equity Interest B according to the valuation report issued by an independent valuer; (ii) the respective amounts of Sale Loan III and Sale Loan IV as at the date of this announcement; (iii) the historical performance and financial position of Project Company B; and (iv) the current property market conditions in the PRC.

### **Completion**

The assignment of Sale Loan III and Sale Loan IV shall take place immediately after the signing of Equity Transfer Agreement B.

The parties shall, within two business days from the date of signing Equity Transfer Agreement B, prepare, execute and file all relevant documentation and complete all necessary procedures to register and effect the transfer of Equity Interest B, the changes in management personnel (including legal representative(s), director(s), supervisor(s) and general manager(s), in which the existing personnel shall be replaced by individuals nominated by the Purchaser) as well as holders of equity interest in respect of Project Company B with the relevant administration of industry and commerce. Completion of the transfer of Equity Interest B shall be deemed to have taken place on the date when the registration of such transfer and the aforesaid changes in management personnel and holders of equity interest are completed with the relevant administration of industry and commerce.

## **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 commercial.

Beijing Yaxin is a company established in the PRC with limited liability on 22 February 2017 and is an indirect wholly-owned subsidiary of the Company. As at the date of this announcement, Beijing Yaxin holds approximately 39.44% equity interest in Project Company A and approximately 38.10% equity interest in Project Company B. Beijing Yaxin is principally engaged in the development and sale of properties in the PRC.

Beijing Yajian is a company established in the PRC with limited liability on 30 October 2017 and is an indirect non wholly-owned subsidiary of the Company. As at the date of this announcement, Beijing Yajian holds approximately 10.56% equity interest in Project Company A and approximately 11.90% equity interest in Project Company B. Beijing Yajian is principally engaged in the provision of corporate management services in the PRC.

### **Information of the Purchaser**

The Purchaser is a company established in the PRC on 8 June 2017 with limited liability. As at the date of this announcement, the Purchaser holds 50% equity interest in Project Company A and 50% equity interest in Project Company B. The Purchaser is principally engaged in investment holding.

The Purchaser is an indirect wholly-owned subsidiary of Road King Infrastructure Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1098).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

### **Information of the Project Companies**

#### **Project Company A**

Project Company A is a company established in the PRC on 14 August 2017 with limited liability with a registered capital of RMB1,420,000,000.00, and its equity interest is owned as to approximately 39.44% by Beijing Yaxin, approximately 10.56% by Beijing Yajian and 50% by the Purchaser. The principal business of Project Company A is property development and management in the PRC.

Project Company A is set up as a joint venture company for undertaking the development and construction of the residential project in respect of Property A, which is a block of land located in Lixia District, Jinan City, Shandong Province, the PRC (中國山東省濟南市歷下區). Such development project occupies a site area of approximately 50,000 square metres and has a planned gross floor area of approximately 220,000 square metres.



As at the date hereof, construction of such property has been substantially completed. Certain units of such development have previously been sold and delivered, with the remainder to be launched in the market in due course having regard to local market conditions.

Set out below is a summary of the unaudited financial information of Project Company A for the two years ended 31 December 2021 prepared in accordance with generally accepted accounting principles in the PRC:

	<b>For the year ended 31 December 2020 (unaudited) RMB'000</b>	<b>For the year ended 31 December 2021 (unaudited) RMB'000</b>
Net loss before taxation	approximately 10,485	approximately 50,912
Net loss after taxation	approximately 7,864	approximately 50,912

The unaudited net asset value of Project Company A as at 31 December 2021 was approximately RMB20,000,000.

### **Project Company B**

Project Company B is a company established in the PRC on 29 December 2017 with limited liability with a registered capital of RMB420,000,000.00, and its equity interest is owned as to approximately 38.10% by Beijing Yaxin, approximately 11.90% by Beijing Yajian and 50% by the Purchaser. The principal business of Project Company B is property development and management in the PRC.

Project Company B is set up as a joint venture company for undertaking the development and construction of the residential project in respect of Property B, which is a block of land located in Lixia District, Jinan City, Shandong Province, the PRC. Such development project occupies a site area of approximately 20,000 square metres and has a planned gross floor area of approximately 90,000 square metres.

As at the date hereof, construction of such property has been substantially completed. Certain units of such development have previously been sold and delivered, with the remainder to be launched in the market in due course having regard to local market conditions.



Set out below is a summary of the audited financial information of Project Company B for the two years ended 31 December 2021 prepared in accordance with generally accepted accounting principles in the PRC:

	<b>For the year ended 31 December 2020 (audited) RMB'000</b>	<b>For the year ended 31 December 2021 (audited) RMB'000</b>
Net loss before taxation	approximately 3,486	approximately 36,876
Net loss after taxation	approximately 3,506	approximately 31,103

The audited net asset value of Project Company B as at 31 December 2021 was approximately RMB53,300,000.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENTS**

In light of the prevailing market conditions and the increasingly challenging operating environment of the property industry in the PRC, the Directors believe that the entering into of the Equity Transfer Agreements would (i) generate immediate cash inflow to the Group after the disposal of its interests in the Project Companies, which would in turn improve the liquidity of the Group and facilitate the Group to meet its working capital requirements for the development of its other property projects; and (ii) streamline the Group's existing business structure and operations.

The Directors are of the view that the terms of each of the Equity Transfer Agreements are fair and reasonable, and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE DISPOSAL AND USE OF PROCEEDS**

It is expected that upon completion of the Transactions, the Company will record an estimated loss of approximately RMB600,000, which is calculated with reference to the aggregate consideration for the disposal of Equity Interest A and Equity Interest B held by the Company amounting to approximately RMB15,700,000 as of the date of the Equity Transfer Agreements, after deducting the unaudited net asset value of Equity Interest A and Equity Interest B held by the Company of approximately RMB16,300,000 as at 31 August 2022.

The consideration for the Sale Loans is equivalent to their carrying amount, and therefore there is no impact on the profit or loss of the Group.

The actual loss to be recorded by the Company is subject to audit.

It is intended that the net proceeds from the Transactions will be used for general working capital of the Group and its future capital needs for its business.

## **IMPLICATIONS UNDER THE LISTING RULES**

Since the Equity Transfer Agreements were entered into by the Group with the same Purchaser, the entering into of Equity Transfer Agreement A and Equity Transfer Agreement B should be aggregated as if they were one transaction pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules for the Transactions, when aggregated as a whole, exceed(s) 5% but is/are less than 25%, the Transactions together constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules, but are exempted from the requirement of shareholders' approval.

## **DEFINITIONS**

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

“Beijing Yajian”	北京雅建企業管理有限責任公司 (Beijing Yajian Enterprise Management Co., Ltd.***) , a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company;
“Beijing Yaxin”	北京雅信房地產開發有限公司 (Beijing Yaxin Property Development Co., Ltd.***) , a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“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;
“Directors”	the directors of the Company;

“Equity Interest A”	comprising (i) approximately 39.44% equity interest in Project Company A held by Beijing Yaxin, with a corresponding registered capital of RMB560,000,000.00 that has been fully paid-up by Beijing Yaxin; and (ii) approximately 10.56% equity interest in Project Company A held by Beijing Yajian with a corresponding registered capital of RMB150,000,000.00 that has been fully paid-up by Beijing Yajian;
“Equity Interest B”	comprising (i) approximately 38.10% equity interest in Project Company B held by Beijing Yaxin, with a corresponding registered capital of RMB160,000,000.00 that has been fully paid-up by Beijing Yaxin; and (ii) approximately 11.90% equity interest in Project Company B held by Beijing Yajian with a corresponding registered capital of RMB50,000,000.00 that has been fully paid-up by Beijing Yajian;
“Equity Transfer Agreement A”	the equity transfer agreement entered into between the Vendors, the Purchaser and Project Company A dated 1 September 2022 in respect of the transfer of Equity Interest A and the assignment of Sale Loan I and Sale Loan II;
“Equity Transfer Agreement B”	the equity transfer agreement entered into between the Vendors, the Purchaser and Project Company B dated 1 September 2022 in respect of the transfer of Equity Interest B and the assignment of Sale Loan III and Sale Loan IV;
“Equity Transfer Agreements”	Equity Transfer Agreement A and Equity Transfer Agreement B;
“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);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“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 Companies”	Project Company A and Project Company B;

“Project Company A”	濟南雋盛房地產開發有限公司 (Jinan Junsheng Property Development Co., Ltd.***) , a company established in the PRC with limited liability;
“Project Company B”	濟南雅雋房地產開發有限公司 (Jinan Yajun Property Development Co., Ltd.***) , a company established in the PRC with limited liability;
“Property A”	the principal asset of Project Company A, details of which are set out in the section headed “Information of the Parties — Information of the Project Companies — Project Company A” of this announcement;
“Property B”	the principal asset of Project Company B, details of which are set out in the section headed “Information of the Parties — Information of the Project Companies — Project Company B” of this announcement;
“Purchaser”	濟南雋恒房地產開發有限公司 (Jinan Junheng Property Development Co., Ltd.***) , a company established in the PRC with limited liability, and an Independent Third Party;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Loan I”	all sums owed by Project Company A to Beijing Yaxin in the amount of RMB480,000,000.00 as at the date of this announcement;
“Sale Loan II”	all sums owed by Project Company A to Beijing Yajian in the amount of RMB29,318,500.00 as at the date of this announcement;
“Sale Loan III”	all sums owed by Project Company B to Beijing Yaxin in the amount of RMB122,650,100.00 as at the date of this announcement;
“Sale Loan IV”	all sums owed by Project Company B to Beijing Yajian in the amount of RMB32,349,900.00 as at the date of this announcement;
“Sale Loans”	Sale Loan I, Sale Loan II, Sale Loan III and Sale Loan IV;
“Shareholders”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Transactions”	relevant transactions contemplated under the Equity Transfer Agreements;
“Vendors”	Beijing Yaxin and Beijing Yajian; and
“%”	per cent.

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

Hong Kong, 1 September 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<sup>#</sup>, Mr. Kwong Che Keung, Gordon<sup>#</sup>, Mr. Hui Chiu Chung, Stephen<sup>#</sup> and Mr. Wong Shiu Hoi, Peter<sup>#</sup>.*

\* *Executive Directors*

\*\* *Non-executive Directors*

# *Independent Non-executive Directors*

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