



Agile Property Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

ISSUANCE OF US\$400 MILLION 9% SENIOR NOTES DUE 2013

On 15 September 2006, the Company entered into the Purchase Agreement with MSIL and HSBC in connection with the issue of US\$400 million 9% fixed rate senior notes due 2013 with bullet repayment.

The estimated net proceeds of the Notes Issue, after deduction of expenses, will amount to approximately US\$388 million and the Company intends to use the proceeds of the Notes to (i) finance the acquisition and development of certain land in respect of which the Company has signed the land grant contracts but have not obtained the land use right certificates; and (ii) use the remainder to acquire and develop new land and for general corporate purposes, including working capital.

The Notes will be designated for trading in the National Association of Securities Dealers Inc.'s PORTAL market. Approval in-principle has been received for the listing of the Notes on the SGX-ST. Admission of the Notes to the SGX-ST is not to be taken as an indication of the merits of the Company or the Notes.

Reference is made to the announcements of the Company dated 1 September 2006 and 4 September 2006 respectively in respect of the Notes Issue. The Board is pleased to announce that on 15 September 2006, the Company, together with certain subsidiaries of the Company, entered into the Purchase Agreement with MSIL and HSBC in connection with the issue of the Notes in the aggregate principal amount of US\$400 million.

THE PURCHASE AGREEMENT

Date: 15 September 2006

Parties to the Purchase Agreement

- the Company as the issuer;
- certain subsidiaries of the Company as guarantors of the Company's obligations under the Notes; and
- MSIL and HSBC as the initial purchasers.

MSIL and HSBC, the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes, are the initial purchasers of the Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of MSIL and HSBC is an independent third party and not a connected person of the Company.

Pursuant to the terms of the Purchase Agreement, MSIL and HSBC will purchase the Notes at the Offer Price.

The Notes will only be offered by MSIL and HSBC (i) in the United States, (a) to qualified institutional buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A, and (b) to a limited number of institutional accredited investors in transactions exempt from the registration requirements of the Securities Act and (ii) outside the United States, in compliance with Regulations S under the Securities Act. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed to any connected persons of the Company.

Principal terms of the Notes

The Notes will be due in 2013 with bullet repayment, unless earlier redeemed pursuant to their terms. The Notes will bear interest at the rate of 9%, payable semi-annually in arrears in September and March of each year, commencing on or about 22 March 2007. The obligations of the Company under the Notes will be guaranteed by the Subsidiary Guarantors, and will be further secured by pledges of the shares of certain Subsidiary Guarantors.

Ranking of the Notes

The Notes are senior in right of payment to any existing and future obligations of the Company expressly subordinated in the right of payment to the Notes. For all other unsecured and unsubordinated indebtedness of the Company, the Notes will rank pari passu in right.

Events of default

The events of default under the Notes include, among others: (a) default in the payment of principal; (b) default in the payment of interest; (c) default in the performance or breach of certain covenants under the Indenture or the Notes; (d) default by the Company or certain of its subsidiaries in the repayment of indebtedness having, in the aggregate, an outstanding principal amount in excess of US\$7.5 million other than the Notes; (e) one or more final judgments or orders for the payment of money are rendered against the Company or certain of its subsidiaries and are not paid or discharged; (f) involuntary bankruptcy, insolvency proceedings against the Company or certain of its subsidiaries; and (g) default by the Subsidiary Guarantors in the performance of their obligations under the security provided under the Notes. If an event of default occurs and is continuing, the trustee may, and shall upon request of holders of at least 25% in aggregate principal amount of outstanding Notes declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable or foreclose the security. In the event of foreclosure of the security, a change of control in the subsidiary whose shares are the subject to the security may occur.

Covenants

Pursuant to the terms of the Notes, the Company is restricted, among other things, from declaring dividends, creating liens, incurring further indebtedness, making investment (except as permitted under the Notes), selling or permitting any restricted subsidiary under the Notes to issue or sell any shares.

Redemption

The Notes may be redeemed in the following circumstances:

- At any time and from time to time on or after 22 September 2010, the Company may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date if redeemed during the twelve month period beginning on 22 September of the years indicated below:

| Period | Redemption Price |
|---------------------|------------------|
| 2010 | 104.50% |
| 2011 | 102.25% |
| 2012 and thereafter | 100.00% |

- At any time prior to 22 September 2010, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date.
- At any time and from time to time prior to 22 September 2009, the Company may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of the principal amount of the Notes, plus accrued and unpaid interest, if any, with the proceeds from the sales of certain of its securities.
- the Company may redeem the Notes, as a whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, if the Company or any Subsidiary Guarantor would be obligated to pay additional amounts of tax as a result of certain changes in specified tax laws; and
- the Company will be obligated to repurchase all Notes outstanding at a purchase price of 101% of their principal amount in the occurrence of a change of control triggering event, which are (A) any of the following: (i) the merger, amalgamation or consolidation of the Company with another entity or the sale of all or substantially all the assets of the Company; (ii) the Chen Family Trust (including beneficial owners of the Chen Family Trust or their affiliates) beneficially owns less than 50% interest in the Company; (iii) any "person" or "group" (as defined in the United States Securities and Exchange Act of 1934) becomes beneficial owner of 1 voting rights of the Company greater than the voting rights beneficially held by the persons listed in (ii) above; (iv) the individuals who on the original issue date of the Notes constituted the Board, together with new directors approved by at least two-third of the directors then in office, cease to constitute a majority of the Board; and (v) the adoption of a plan relating to the liquidation or dissolution of the Company; accompanied by (B) a rating decline.

Reason for the Notes Issue

The Group is one of the leading property development companies in Guangdong Province, the PRC. The Group focuses on the development and sale of high-quality private residential properties in Guangdong Province and engages primarily in the development of large-scale property projects comprising multiple phases and offers a broad range of products, including low-density units (comprising stand-alone houses, semi-detached houses and townhouses), duplexes and apartments which appeal to customers of varying income levels. The majority of the Group's products target middle and upper-middle class purchasers, including white collar workers, mid- and senior-level managers, entrepreneurs and civil servants. In addition to residential properties, the Group develops commercial properties, including retail shops complementary to the residential developments of the Group as well as commercial complexes in strategic locations. The Group also engages in ancillary property-related businesses such as property management and interior decoration.

The Notes Issue is being undertaken to supplement the Group's funding of its expansion and growth plan. The structuring of the Notes with fixed rate will improve and enhance the matching of the Group's expansion plans with its cashflow requirements and debt maturity profile. The Notes Issue will transform the Company's financial strategy by broadening the Company's international profile and increasing access and flexibility to international debt capital markets to support the growth of the Company. Moreover, through the proposed Notes Issue, and the stringent requirements in the offer of the Notes to qualified institutional buyers and institutional accredited investors in the United States, the corporate governance and transparency of the Company will be further improved.

Use of proceeds

It is expected that the net proceeds arising from the Notes will amount to approximately US\$388 million. The Company intends to apply the net proceeds arising from the Notes to fund the Group's operations as follows:

- approximately US\$290 million will be used to finance the acquisition and development of land in respect of which the Group has signed the land grant contracts but have not obtained the land use right certificates, specifically,
 - approximately US\$160 million will be used to finance the development of the Chengdu Shuangliu Project;
 - approximately US\$65 million will be used to finance the development of the Nanjing Qinhuai Project; and
 - approximately US\$65 million will be used to finance the development of the Heyuan Project;
- the remaining portion of the net proceeds, if any, will be used to acquire and develop new land or for general corporate purposes including working capital.

The Company may adjust the foregoing acquisition and development plans in response to changing market conditions and, thus, reallocate the use of the proceeds. Pending application of the net proceeds of the Notes Issue, the Company intends to invest such net proceeds in "Temporary Cash Investment" as defined under the terms and conditions of the Notes.

Listing and rating

The Notes will be designated for trading in the National Association of Securities Dealers Inc.'s PORTAL market. Approval in-principle has been received for the listing of the Notes on the SGX-ST. Admission of the Notes to the SGX-ST is not to be taken as an indication of the merits of the Company or the Notes.

The Notes have received a rating of BB from Standard & Poor's and a rating of Ba3 from Moody's.

DEFINITIONS

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

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| "associate" | has the meaning ascribed to it under the Listing Rules |
| "Board" | the board of Directors |
| "Chengdu Shuangliu Project" | a project of the Group located in Chengdu, Sichuan Province, the PRC, in which the Group has entered into a land grant contract for the grant of a parcel of land with a site area of approximately 1,338,960 square meters through public auction |
| "Company" | Agile Property 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 |
| "connected person" | has the meaning ascribed to it under the Listing Rules |
| "Directors" | the directors of the Company |
| "Group" | the Company and its subsidiaries |
| "Heyuan Project" | a project of the Group located in Heyuan, Guangdong Province, the PRC, in which the Group has entered into land grant contracts for land with an aggregate site area of approximately 1,364,741 square meters |
| "HK\$" | Hong Kong dollar, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "HSBC" | The Hongkong and Shanghai Banking Corporation Limited, the joint lead manager and joint bookrunner in respect of the offer and sale of the Notes |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "MSIL" | Morgan Stanley & Co. International Limited, the joint lead manager and joint bookrunner in respect of the offer and sale of the Notes |
| "Nanjing Qinhuai Project" | a project of the Group located in Nanjing, Jiangsu Province, the PRC, in which the Group has entered into land grant contracts for land with an aggregate site area of approximately 141,178 square meters |
| "Notes" | the 9% fixed rate guaranteed senior notes due 2013 in the principal amount of US\$400 million to be issued by the Company |
| "Notes Issue" | the issue of the Notes by the Company |
| "Offer Price" | 100% of the principal amount of the Notes, the price at which the Notes will be sold |
| "PRC" | the People's Republic of China |
| "Purchase Agreement" | the agreement dated 15 September 2006 entered into between, among others, the Company, MSIL and HSBC in relation to the Notes Issue |
| "Securities Act" | the United States Securities Act of 1933, as amended |
| "SGX-ST" | Singapore Exchange Securities Trading Limited |
| "Share(s)" | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| "Shareholders" | holders of Shares |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Subsidiary Guarantors" | certain subsidiaries of the Company that at the original issue date of the Notes will provide guarantee to secure the obligations of the Notes |
| "US\$" | US dollar, the lawful currency of the United States of America |
| "%" | per cent |

By order of the Board of
Agile Property Holdings Limited
Luk Sin Fong, Fion
Vice-Chairlady and Co-President

Hong Kong, 15 September 2006

As at the date of this announcement, the board of directors of the Company comprises nine directors of which Chen Zhou Lin (Chairman), Chan Cheuk Yin (Vice-Chairman and Co-President), Luk Sin Fong, Fion (Vice-Chairlady and Co-President), Chan Cheuk Hung, Chan Cheuk Hei and Chan Cheuk Nam are executive Directors and Cheng Hon Kwan, Kwong Che Keung, Gordon and Cheung Wing Yui are independent non-executive Directors.