



## Agile Property Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

### PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES AND RESUMPTION OF TRADING

Placing Agent

Morgan Stanley

On 10 November 2006, the Vendor and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent has agreed to place, on a fully underwritten basis, 466,800,000 existing Shares at a price of HK\$6.80 per Share on behalf of the Vendor. The Placing Shares represent approximately 13.47% of the existing issued share capital of the Company and approximately 12.46% of the issued share capital of the Company as enlarged by the Subscription.

The Placing Shares will be placed by the Placing Agent to more than six independent professional, institutional and/or individual investors who are or will be third parties independent of and not connected with the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates (as defined in the Listing Rules) who are not acting and will not act in concert (as defined under the Takeovers Code) with the Vendor or its associates (as defined under the Listing Rules). The Placing is conditional on the conditions being met which if not met, the Placing will not proceed to completion unless waived by the Placing Agent. The Vendor and the Company have each furnished lock up undertakings to the Placing Agent.

Pursuant to the Placing, the Vendor and the Company have also entered into the Subscription Agreement under which the Vendor has conditionally agreed to subscribe for 280,400,000 new Shares at the Placing Price.

The shareholding of the Vendor in the issued share capital of the Company will be reduced from approximately 68.3% to approximately 54.8% upon completion of the Placing but before completion of the Subscription and will be increased from approximately 54.8% to approximately 58.2% upon completion of the Placing and the Subscription.

The Placing and the Subscription are effected to enable the Company to raise funds. The Company intends to use the estimated net proceeds of the Subscription of approximately HK\$1,879.8 million to increase the land bank of the Company and as general working capital of the Company.

**As the Placing and Subscription are subject to the fulfillment of a number of conditions and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares of the Company.**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 10 November 2006 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 13 November 2006.

#### PLACING AGREEMENT

**Date:** 10 November 2006

**Vendor:** Top Coast Investment Limited, the controlling shareholder of the Company which is the trustee of the Chen Family Trust. As at the date of this announcement, the Vendor is interested in 2,366,930,000 Shares, representing approximately 68.3% of the existing issued share capital of the Company.

**Placing agent:** Morgan Stanley & Co. International Limited, which is independent of and not connected with or acting in concert with the Vendor, the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates.

**Company:** The Company is also a party to the Placing Agreement.

#### Number of Shares to be placed

466,800,000 existing Shares, representing approximately 13.47 % of the existing issued share capital of the Company and about 12.47% of the issued share capital as enlarged by the Subscription.

#### Placing Price

The Placing Price of HK\$6.80 per Share represents (i) a discount of 5.95% to the closing price of HK\$7.23 per Share as quoted on the Stock Exchange on 9 November 2006, the last full trading day prior to the release of this announcement, and (ii) a discount of approximately 2.55% to the average closing price of HK\$6.978 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including 9 November 2006. The Placing Agent will receive a placing commission of 1.3% on the gross proceeds of the Placing Shares.

The Placing Price was determined after arm's length negotiation between the Vendor and the Placing Agent and the Directors (including the independent non-executive Directors) consider that the Placing Price to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The costs of the Placing and the Subscription shall be shared between the Vendor and the Company on a 40:60 basis.

#### Rights

The Placing Shares will be sold free of all liens, charges and encumbrances, and together with all rights attaching thereto as at the date of the Placing Agreement, including the right to receive all dividends or other distributions declared, made or paid on or after the date of the Placing Agreement.

#### Independence of the Placing Agent and the Placees

The Placing Shares will be placed by the Placing Agent to not less than six independent professional, institutional and/or individual investors. It is not expected that any placee will become a substantial shareholder of the Company as a result of the Placing.

The Placing Agent and the placees to be procured by the Placing Agent are or will be as the case may be third parties independent of and not connected with the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates (as defined in the Listing Rules) who are not acting and will not act in concert (as defined under the Takeovers Code) with the Vendor or its associates (as defined under the Listing Rules).

#### Conditions

The obligation of the Placing Agent to proceed to completion of the Placing is conditional upon the following conditions being met:

- there shall not have occurred any material breach of, or any event rendering untrue or inaccurate, any of the representations, warranties or undertakings under the Placing Agreement;
- trading generally not having been suspended or materially limited on, or by, any of the New York Stock Exchange or the Stock Exchange;
- trading of any securities of the Company not being suspended on any exchange or in any over the counter market (save for such suspension pending the issue of this announcement);
- a material disruption in securities settlement, payment or clearance services in the United States, Hong Kong or the PRC not having occurred;
- any moratorium on commercial banking activities not having been declared by PRC, Federal or New York State or Hong Kong authorities; or
- there not having occurred any outbreak or escalation of hostilities, declaration of a national emergency or war, or any change in financial markets, currency exchange rates or controls or any calamity or crisis that, in the Placing Agent's judgment, is material and adverse and which, singly or together with any other event specified in this clause, makes it, in the Placing Agent's judgment, impracticable or inadvisable to proceed with the offer, sale or delivery of the Placing Shares on the terms and in the manner contemplated herein;
- the Subscription Agreement having been entered into any the parties thereto and not subsequently having been revoked, terminated or modified; and
- receipt by the Placing Agent of a certified copy of the Subscription Agreement in a form satisfactory to the Placing Agent.

If any of the conditions for completion of the Placing Agreement as set out in the Placing Agreement shall not have been fulfilled or (alternatively) waived by the Placing Agent by completion, the Placing Agreement and the obligations of the Placing Agent hereunder will terminate and the Placing and the Subscription will not proceed. **Shareholders and investors are therefore advised to exercise caution when dealing in Shares.**

#### Completion of the Placing

The parties expect that the Placing will be completed on 15 November 2006 (or such other date as the Vendor and the Placing Agent may agree in writing).

#### Lock Up Undertakings

The Vendor has undertaken to the Placing Agent that, except for the sale of the Placing Shares pursuant to the Placing Agreement, from the date of the Placing Agreement and on or prior to the date being 180 days after the Closing Date, the Vendor shall not without the prior written consent of the Placing Agent (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any share of the Company or any interests therein (including for the avoidance of doubt the Shares to be subscribed for by the Vendor under the Subscription Agreement) or any securities convertible into or exercisable or exchangeable for any such Shares or interests or (ii) enter into any swap or similar agreement that transfers to another, in whole or in part, the economic risk of ownership of such shares of the Company, whether any such transaction described in (i) or (ii) above is to be settled by delivery of shares in the Company or such other securities, in cash or otherwise or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

The Company has undertaken to the Placing Agent, and the Vendor has undertaken to the Placing Agent that it will procure the Company not to, from the date hereof and on and prior to the date being 180 days after the Closing Date (without the prior written consent of the Placing Agent) (i) allot, issue, offer to allot or issue, grant any option, right or warrant to subscribe, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, purchase any option or contract to sell, sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any share of the Company or any interests therein or any securities convertible into or exercisable or exchangeable for any such shares or interests or (ii) enter into any swap or similar agreement that transfers to another, in whole or in part, the economic risk of ownership of such shares of the Company, whether any such transaction described in (i) or (ii) above is to be settled by delivery of shares in the Company or such other securities, in cash or otherwise, or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

#### SUBSCRIPTION AGREEMENT

**Date:** 10 November 2006

**Subscriber:** The Vendor

**Issuer:** The Company

#### Number of new Shares to be subscribed

280,400,000 new Shares to be subscribed by the Vendor, representing approximately 8.09% of the existing issued share capital of the Company and approximately 7.49% of the issued share capital of the Company as enlarged by the Subscription.

#### Subscription Price:

The subscription price per new Share is equivalent to the Placing Price of HK\$6.80 per Share. The Subscription Shares have a market value of HK\$2,027,292,000, based on the closing price of HK\$7.23 on 9 November 2006, the last full trading day in the Shares prior to this announcement. The net price of the Subscription is HK\$6.70 per Share.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription are fair and reasonable under the current market condition and in the interest of the Company and the Shareholders as a whole.

#### General mandate to issue the Subscription Shares

The Subscription Shares will be issued under the general mandate granted by the Shareholders to the Directors pursuant to the resolution of the Shareholders passed in the general meeting held on 18 May 2006. The Company has not issued any Shares pursuant to such general mandate.

#### Ranking of the Subscription Shares:

The Subscription Shares, when fully paid, will rank pari passu in all respects with the Shares in issue on the completion date of the Subscription including the right to any dividends or distributions after the date of completion of the Subscription.

#### Conditions of the Subscription:

The Subscription is conditional upon:

- completion of the Placing; and
- the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Subscription Shares.

In the event that the conditions are not fulfilled on or before 24 November, 2006 (or such later date as may be agreed between the parties) the Subscription Agreement and all rights and obligations hereunder will cease and terminate.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

### Completion of the Subscription:

Completion of the Subscription will take place upon the fulfillment of all conditions listed above and within 14 days from the date of the Placing Agreement.

### EFFECT OF THE PLACING AND THE SUBSCRIPTION ON SHAREHOLDING:

The shareholding structure of the Company before and after the Placing and the Subscription will be as follows:

| Shareholders       | Current          |       | Immediately after completion of the Placing but before the Subscription |        | Immediately after completion of the Placing and the Subscription |        |
|--------------------|------------------|-------|---|--------|--|--------|
|                    | Number of Shares | %     | Number of Shares  | %      | Number of Shares   | %      |
| The Vendor         | 2,366,930,000    | 68.3% | 1,900,130,000   | 54.83% | 2,180,530,000  | 58.21% |
| Places             |                  |       | 466,800,000   | 13.47% | 466,800,000  | 12.47% |
| Other Shareholders | 1,098,330,000    | 31.7% | 1,098,330,000   | 31.7%  | 1,098,330,000  | 29.32% |
| Total              | 3,465,260,000    | 100%  | 3,465,260,000   | 100%   | 3,745,660,000  | 100%   |

### REASON FOR THE PLACING AND THE SUBSCRIPTION

The Placing and Subscription is being undertaken to supplement the Group's funding of its expansion and growth plan. The directors of the Company consider the Placing and Subscription will provide an opportunity to raise further capital for the Company whilst broadening the shareholder base and the capital base of the Company.

### USE OF PROCEEDS OF THE SUBSCRIPTION

The estimated net proceeds of the Subscription is approximately HK\$1,879.8 million and will be used as to approximately 90% for the purchase of land in China, such as Shanghai, Chongqing, Changsha, Hainan and other places to increase the land bank of the Company and as to approximately 10% for general working capital purpose.

### CAPITAL-RAISING ACTIVITIES DURING PAST 12 MONTHS

Since the listing of the Shares on the Main Board of the Stock Exchange on 15 December 2005, the Company has not carried out other capital raising activities save as listed below:

| Date of Announcement | Capital Raising Activity                          | Net Proceeds Raised (HK million) | Actual Use of Proceeds   |
|----------------------|---|----------------------------------|--|
| 15 September 2006    | Issue of US\$400 million 9% senior notes due 2013 | 3,041                            | Approximately HK\$624 million has been used as capital contribution to two project companies in Nanjing and Hainan, respectively. The balance will be applied in accordance with the plan as disclosed in the announcement of the Company dated 15 September 2006. |

### PRINCIPAL ACTIVITIES

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 decoration service.

### RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 10 November 2006 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 13 November 2006.

### DEFINITIONS

|                          |   |
|--------------------------|---|
| "Company"                | Agile Property Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange  |
| "Closing Date"           | the date after the day on which the conditions in the Placing Agreement has been satisfied but in any event no later than 15 November 2006  |
| "Directors"              | the directors of the Company  |
| "Group"                  | the Company and its subsidiaries  |
| "Hong Kong"              | the Hong Kong Special Administrative Region of the PRC  |
| "HK\$"                   | Hong Kong dollar, the lawful currency of Hong Kong  |
| "Listing Rules"          | the Rules Governing the Listing of Securities on the Stock Exchange   |
| "Placing"                | the placement of 466,800,000 existing Shares to independent investors at the Placing Price  |
| "Placing Agent"          | Morgan Stanley & Co. International Limited, which is a third party independent of and not connected with the Vendor, the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates (as such term is defined in the Listing Rules) |
| "Placing Agreement"      | the placing agreement dated 10 November 2006 between the Vendor, the Company and the Placing Agent in respect of the Placing  |
| "Placing Price"          | the placing price of HK\$6.80 per Share   |
| "Placing Shares"         | 466,800,000 existing Shares   |
| "PRC"                    | the People's Republic of China  |
| "Shares"                 | ordinary shares of HK\$0.10 each in the share capital of the Company  |
| "Stock Exchange"         | The Stock Exchange of Hong Kong Limited   |
| "Subscription"           | the subscription of the Subscription Shares by the Vendor   |
| "Subscription Agreement" | the subscription agreement dated 10 November 2006 between the Company and the Vendor in respect of the Subscription   |
| "Subscription Price"     | the subscription price of HK\$6.80 per Share  |
| "Subscription Shares"    | 280,400,000 new Shares, subject to adjustment according to the number of Placing Shares successfully placed by the Placing Agent  |
| "Takeovers Code"         | the Hong Kong Code on Takeovers and Mergers   |
| "Vendor"                 | Top Coast Investment Limited, a company incorporated in the British Virgin Islands and is the trustee of the Chen Family Trust  |

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

Hong Kong, 10 November 2006

As at the date of this announcement, the board of directors of the Company comprises nine directors of which Chen Zhuo 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.