



**ASIAN GROWTH PROPERTIES LIMITED**

(Incorporated in the British Virgin Islands and continued in Bermuda with limited liability)

31 March 2017

**Asian Growth Properties Limited**

**(“AGP” or the “Company”)**

**Proposed disposal of assets  
Fundamental change of business  
Related party transactions  
Special dividend  
and  
Notice of special general meeting**

The Company is pleased to announce today the proposed AGP Reorganisation, which includes:

- the entry into a conditional sale agreement with its majority shareholder SEA in relation to the sale of the Company’s Non-PRC Assets to SEA at an aggregate price of HK\$8,913,354,000 (£913,637,286); and
- the AGP Special Dividend Payment to its Shareholders in the amount of HK\$10.35 (£1.06) per AGP Share.

In addition, SEA has conditionally agreed to the SEA Distribution in Specie of SEA’s shareholding in the Company to SEA Shareholders.

A circular to AGP Shareholders will shortly be available on the Company’s website at [www.asiangrowth.com](http://www.asiangrowth.com) and posted to AGP Shareholders in due course.

Extracts from the circular to AGP Shareholders are set out below.

The capitalised terms used in this announcement have the meaning set out in Appendix VI to this announcement.

Sterling and Hong Kong Dollar conversions throughout this announcement are based on the exchange rate of £1: HK\$9.7559.

**This announcement contains inside information.**

For more information, please contact:

Lu Wing Chi

Tel: +852 2828 6363

Executive Director

Asian Growth Properties Limited

Richard Gray / Andrew Potts / Atholl Tweedie

Tel: +44 207 886 2500

Panmure Gordon (UK) Limited

(Nominated Adviser)

---

## APPENDIX I

### PROPOSED REORGANISATION OF THE AGP GROUP INVOLVING THE DISPOSAL OF CERTAIN ASSETS TO SEA HOLDINGS LIMITED AND AGP SPECIAL DIVIDEND PAYMENT TO AGP SHAREHOLDERS AND NOTICE OF SPECIAL GENERAL MEETING

#### 1. Introduction

The Company has today announced the proposed AGP Reorganisation pursuant to which the Company will, conditional upon the fulfilment of certain conditions and approval by Shareholders:

- sell the entire issued share capital of BSGL to SEA (AGP's 97.17 per cent. Shareholder) pursuant to the SP Agreement at an aggregate price of HK\$8,913,354,000 (£913,637,286), subject to adjustments. BSGL is currently a wholly-owned subsidiary of the Company and holds, through the BSGL Group, all the Non-PRC Assets; and
- make the AGP Special Dividend Payment to its Shareholders in the amount of HK\$10.35 (£1.06) per AGP Share.

The Sale is conditional on, inter alia, (i) the passing by Shareholders of the Resolutions at the SGM and (ii) in order to increase the number of shareholders and the free float in the AGP Shares, the SEA Independent Shareholders passing an ordinary resolution of SEA to approve the SEA Distribution in Specie.

The AGP Special Dividend is conditional on (i) the passing by Shareholders of the Resolutions at the SGM; (ii) completion of the Sale; and (iii) the SEA Independent Shareholders passing an ordinary resolution of SEA to approve the SEA Distribution in Specie.

Pursuant to the terms of the SP Agreement, the consideration payable by SEA (being HK\$8,913,354,000 (£913,637,286)) shall be paid by SEA to AGP within five business days following completion of the Sale. On the AGP Special Dividend becoming unconditional and payable, SEA will be entitled (as the holder of 97.17 per cent. of the issued share capital of AGP) to receive an amount of approximately HK\$8,914,236,000 (£913,727,693) from the Company. In practice, SEA's entitlement to HK\$8,913,354,000 (£913,637,286) of the AGP Special Dividend will be applied by SEA in discharging SEA's obligation to pay the whole amount of the consideration due in respect of the acquisition of BSGL.

The Non-PRC Assets are held by the BSGL Group and constitute all of the assets and liabilities owned by AGP other than the PRC Assets and comprise (i) a commercial property at 20 Moorgate, London, EC2R 6DA; (ii) the Crowne Plaza Hong Kong Causeway Bay in Hong Kong; (iii) bank balances and cash; and (iv) certain short-term treasury investments. Further details of the Non-PRC Assets are set out in Appendix III of this announcement.

Simultaneous with the AGP Reorganisation and conditional upon the fulfilment of certain conditions:

- SEA proposes to make the SEA Distribution in Specie such that all the AGP Shares currently held by SEA will be distributed to the SEA Shareholders; and

- subject to completion of the SEA Distribution in Specie, NLI has agreed to make the NLI Share Exchange Offer such that qualifying Shareholders of AGP will be offered the opportunity to exchange their AGP Shares for SEA Shares.

The SEA Distribution in Specie is conditional on (i) the passing of the ordinary resolution to approve the SEA Distribution in Specie by the SEA Independent Shareholders at the special general meeting of SEA; (ii) completion of the Sale; and (iii) the board of directors of SEA being satisfied that there are no reasonable grounds for believing that the SEA Distribution in Specie would render SEA unable to pay its liabilities as they become due.

The NLI Share Exchange Offer is conditional on completion of the SEA Distribution in Specie.

Assuming completion of the AGP Reorganisation, the SEA Distribution in Specie and the NLI Share Exchange Offer:

- the AGP Group will hold the PRC Assets. As such, following completion of the AGP Reorganisation, the AGP Group's property assets will be solely located within the PRC. Further details of the PRC Assets are set out in Appendix IV of this announcement and Part V of the Circular;
- the SEA Group will hold the Non-PRC Assets. As such, following completion of the SEA Distribution in Specie, the SEA Group's property assets will be solely located outside the PRC; and
- NLI will be a majority shareholder of both the AGP Group and the SEA Group.

As SEA is a related party of AGP, the Sale is treated under Rule 13 of the AIM Rules as a related party transaction. The AGP Independent Directors consider, having consulted with Panmure Gordon, that the terms of the Sale are fair and reasonable insofar as AGP's Shareholders are concerned. Further details of the Sale are set out in paragraphs 3 and 4 below.

In addition, given the size of the Sale, the Sale is treated under Rule 15 of the AIM Rules as a fundamental change of business of the Company. The Sale is therefore conditional upon, inter alia, the passing by Shareholders of Resolution 1 of the SGM convened for on Friday, 21 April 2017, the notice of which is set out in Part VI of the Circular.

The purpose of the Circular is to provide Shareholders with information in relation to the AGP Reorganisation, the SEA Distribution in Specie and the NLI Share Exchange Offer, to explain why the AGP Independent Directors consider the Resolutions to be in the best interests of the Company and the Shareholders as a whole and to explain why the AGP Independent Directors recommend that you vote in favour of the Resolutions, as each AGP Independent Director who holds AGP Shares intends to do in respect of his own beneficial holdings of AGP Shares amounting in aggregate to 0.06 per cent. of the AGP Shares of the Company as at 30 March 2017, being the last practicable date prior to the date of this announcement. In addition, it is also noted that SEA, the controlling shareholder of AGP, intends to vote in favour of the Resolutions.

## **2. Background to, reasons for and the effect of the AGP Reorganisation**

Prior to its admission to trading on AIM, AGP was a wholly-owned subsidiary of Trans-Tasman Properties Limited, a New Zealand company listed on the New Zealand Stock Exchange in which SEA was a major shareholder. In January 2006, AGP was admitted to trading on AIM and, at the

same time as its admission, the AGP Shares held by Trans-Tasman Properties Limited were distributed to its then existing shareholders (including SEA).

In September 2006, a reorganisation of the SEA Group was carried out whereby SEA injected certain real property businesses into AGP in exchange for shares in AGP; the result of which SEA became holder of 96.42 per cent. of the AGP Shares.

The original intention was that the enlarged AGP Group would be positioned as a real estate group focused on the Asian market and in particular on Hong Kong and PRC and additional equity funding would be raised through the issuance of AGP Shares on AIM in order to grow AGP. However, the AGP Share price fell sharply during the 2008 financial crisis such that AGP Shares traded at levels significantly below AGP's NAV per AGP Share. Effectively, this prevented the AGP Group from carrying out an equity fund raising without being prejudicial to the interests of its existing Shareholders.

Since its admission to trading on AIM, the AGP Group's business has performed well and the NAV per AGP Share has increased significantly over such period. However, this is not reflected in its share price.

AGP recognises that it needs to increase its free float and liquidity in order to seek to narrow the discount between the NAV per AGP Share and the AGP Share price. Given the discount of the AGP Share price to its NAV per AGP Share, it would be highly dilutive to AGP's Shareholders interests if AGP were to issue new Shares at the market price in circumstances in which the Shareholders were not able to invest their proportionate share in any such equity fundraising.

The AGP Board believes that it would be in the best interests of AGP and its Shareholders if it were to:

- focus on AGP as a property investment and development company whose principal operations are in the PRC;
- distribute back to its Shareholders cash excess to its requirements; and
- procure SEA to distribute AGP Shares to the SEA Shareholders so as to increase AGP's free float and broaden its shareholder base.

Towards achieving these goals and assuming completion of the AGP Reorganisation and the SEA Distribution in Specie:

- AGP's Shares in public hands will initially move from 2.77 per cent. to approximately 28.65 per cent. immediately following completion of the SEA Distribution in Specie but prior to the NLI Share Exchange Offer. The exact amount of free float of AGP will only be known after the completion of the NLI Share Exchange Offer;
- AGP's property assets and operations will, upon completion of the AGP Reorganisation, initially consist of mainly the PRC Assets and operations in the PRC;
- AGP will in due course be largely independently managed from SEA after the AGP Reorganisation. Currently, the AGP Group has its own administrative and operational staff (mainly PRC staff) separate from those of SEA Group to operate and manage its own business. AGP Group also shares the office premises of the SEA Group and pursuant to the old cost sharing agreement, SEA also provided services, such as finance, compliance and

secretarial staff support to AGP Group. As it is not feasible to segregate certain staff at corporate level, for an interim period of time immediately following the completion of the AGP Reorganisation and SEA Distribution in Specie, AGP and SEAI will enter into a New Cost Sharing Agreement (see paragraph 16 below) pursuant to which SEAI will continue to provide AGP with certain services (namely finance, compliance and company secretarial staff support at corporate level) at the request of the Service Recipients for a period not exceeding one calendar year following the completion of the AGP Reorganisation, and it is expected that AGP will commence recruiting personnel (from SEA or third parties) shortly after completion of the AGP Reorganisation. It is also AGP's intention that it will enter into a lease agreement directly with the third party landlord for its own office premises following completion of the AGP Reorganisation; and

- AGP and SEA will continue to have four common directors, being Mr. Lu Wing Chi, Mr. Lambert Lu, Mr. Lincoln Lu and Mr. Lam Sing Tai.

In order to ensure that the strategic leaderships of AGP and SEA are segregated, AGP and SEA will be led by different persons following completion of the AGP Reorganisation. In particular:

- AGP's chief executive officer will be Mr. Lincoln Lu;
- SEA's chief executive officer will be Mr. Lambert Lu; and
- Mr. Lincoln Lu will relinquish his executive role in SEA and Mr. Lambert Lu will relinquish his executive role in AGP.

It should be noted however that, while it is the AGP Board's current intention to focus on operations in the PRC, and its property assets following the AGP Reorganisation will be located solely in the PRC, the AGP Board does not believe that AGP should be restricted in its sphere of activities. Hence, the AGP Board has not committed to limit its sphere of activities solely to the PRC or to property related development and investments. The strategy of AGP will be determined by the AGP Board itself taking into consideration market opportunities, AGP's financial resources and its core competencies.

By the same token, SEA has not committed to limit its sphere of activities solely to outside the PRC.

Given the size of the PRC real property market vis-à-vis the financial resources of AGP or SEA, following completion of the AGP Reorganisation and SEA Distribution in Specie, the common directors in AGP and SEA shall abstain from voting on board resolutions approving such investment opportunities or potential transactions when any potential conflicts of interest arise. Further, it is noted that potential conflicts (if any) arising between AGP and NLI (and its close associates) would be effectively managed pursuant to the terms of the Non-Competition Deed. Further details of the Non-Competition Deed are set out in paragraph 17 below.

### **3. The Sale and the AGP Special Dividend Payment**

Under the SP Agreement, the consideration for the sale of BSGI is HK\$8,913,354,000 (£913,637,286) which was calculated by reference to the NAV at 31 December 2016 of the Non-PRC Assets as extracted from the audited consolidated financial statements of AGP Group as at 31 December 2016, and taking into account (i) the estimated increase in the net profit of Non-PRC Assets from 1 January 2017 until Completion; and (ii) the market value adjustment on Crowne Plaza Hong Kong Causeway Bay. The value of the property assets included in the NAV of the

Non-PRC Assets has already been adjusted to take into consideration their market values of HK\$3,500 million (£358.8 million) (Crowne Plaza Hong Kong Causeway Bay) as at 28 February 2017 as valued by an independent third party valuer jointly engaged by SEA and AGP. A revaluation adjustment of HK\$2,607.8 million (£267.3 million) is required for Crowne Plaza Hong Kong Causeway Bay as it, being classified as property, plant and equipment rather than investment properties, was not currently stated at market value in the Company's statement of financial position. The value of HK\$1,532 million (£157.0 million) (20 Moorgate, London) as at 28 February 2017 was valued by an independent third party valuer jointly engaged by SEA and AGP. There was no change in the valuation of the property between 31 December 2016 and 28 February 2017 in Pounds Sterling and as such no revaluation adjustment is required for 20 Moorgate, London other than in respect of foreign exchange movements. The actual consideration will be adjusted to take into consideration the actual NAV of BSGI as at the date of completion of the Sale, including the effect of any foreign exchange movements (save that there will not be any further property valuation after the valuations as at 28 February 2017).

The amount of the AGP Special Dividend Payment will be approximately HK\$10.35 (£1.06 per AGP Share), amounting to HK\$9,173,700,000 (£940,323,292) in aggregate. Based on this allocation:

- SEA will be entitled to receive a dividend payment of approximately HK\$8,914,236,000 (£913,727,693), of which HK\$8,913,354,000 will be offset against the amount due to AGP under the SP Agreement; and
- the other shareholders of AGP will receive approximately HK\$259,464,000 (£26,595,599) in cash.

The AGP Special Dividend Payment is conditional on (i) the passing by Shareholders of the Resolutions at the SGM; (ii) completion of the Sale; and (iii) the SEA Independent Shareholders passing an ordinary resolution of SEA to approve the SEA Distribution in Specie. If such conditions are not satisfied, the AGP Special Dividend Payment will not be made.

The AGP Shares will go ex-dividend on Thursday, 27 April 2017 and the AGP Special Dividend will be paid on Wednesday, 10 May 2017.

#### **4. Other terms of the SP Agreement**

The SP Agreement contains usual warranties on good and marketable title to the Non-PRC Assets free from encumbrances.

Completion of the SP Agreement is conditional on:

- (a) AGP Shareholders passing the Resolutions at the SGM;
- (b) AGP declaring the conditional AGP Special Dividend Payment to its Shareholders, such dividend to be paid following completion of the Sale;
- (c) the SEA Independent Shareholders passing an ordinary resolution to approve the SEA Distribution in Specie; and
- (d) SEA declaring the conditional SEA Distribution in Specie whereby SEA shall distribute to its shareholders all its equity interests in AGP.

If the conditions precedents are not fulfilled by 30 June 2017, or such later date as AGP and SEA may agree, the SP Agreement shall terminate.

If the SP Agreement terminates, the AGP Reorganisation and the SEA Distribution in Specie will not occur.

## **5. Use of proceeds**

The consideration payable in relation to the Sale will be satisfied by AGP offsetting an amount equal to the consideration against the proportion of the AGP Special Dividend Payment that is due to SEA (as the holder of 97.17 per cent. of the issued share capital of AGP), and as such the AGP Group will not, on a net basis, receive monies from SEA.

## **6. Information about the BSGL Group and the Non-PRC Assets**

BSGL is incorporated in the BVI with limited liability. Save for being the holding company of the Non-PRC Assets, BSGL does not have any other major assets or business.

The BSGL Group comprises over 30 entities the principal assets of which, as at 31 December 2016, comprise (i) bank balances and cash, including pledged bank deposits (approximately HK\$5,800 million as at 31 December 2016 for illustrative purposes), (ii) a commercial property in the United Kingdom and a hotel in Hong Kong, and (iii) certain short term treasury investments (approximately HK\$1,400 million as at 31 December 2016 for illustrative purposes).

The net assets of the Non-PRC Assets as extracted from the audited financial statements of AGP as at 31 December 2016 was approximately HK\$6,271 million (£642.8 million), representing approximately 60 per cent. of the total net book value of the AGP Group's total consolidated net assets as of 31 December 2016 (after deducting the special dividend of HK\$1,994 million declared on 17 March 2017).

Adjusting for the market value of Crowne Plaza Hong Kong Causeway Bay of HK\$3,500 million (which is stated at cost less depreciation in the audited financial statements of AGP as at 31 December 2016 with a carrying value of HK\$892 million), the consolidated carrying value of the net assets of Non-PRC Assets as at 31 December 2016 was HK\$8,879 million (£910.1 million).

The revenue generated by Non-PRC Assets for the year ended 31 December 2016 was approximately HK\$304 million (£31.2 million). The net profits before taxation and after taxation (including the fair value gain of investment properties) of Non-PRC Assets for the year ended 31 December 2016 were approximately HK\$58 million (£5.9 million) and HK\$12 million (£1.2 million) respectively.

## **7. Information about the PRC Assets following completion of the AGP Reorganisation**

Following the AGP Reorganisation, the Company will continue to hold the PRC Assets comprising the properties known as (i) Plaza Central; (ii) Commercial podium in Zone B and car parking spaces on Basements 2 and 3, New Century Plaza; (iii) Office Tower, Westmin Plaza Phase II; and (iv) Commercial podium, Westmin Plaza Phase II. Particulars of such properties (including their third party property valuation reports) are set out in Appendix IV of this announcement and Part V of the Circular.

An unaudited pro forma AGP Group balance sheet, based on the statement of financial position for the Company as at 31 December 2016 is set out in Appendix II of this announcement, showing the

position as if the Sale, the AGP Special Dividend Payment and the HK\$2.25 dividend per AGP Share declared on 17 March 2017 (equivalent to HK\$2 billion (£205 million)) and the revaluation of Crowne Plaza Hong Kong Causeway Bay had occurred on 31 December 2016. This pro forma information is unaudited and has been prepared for illustrative purposes only.

The unaudited pro forma net asset position as at 31 December 2016 would have been HK\$4.18 billion (£428 million), with a net cash balance of HK\$1.6 billion (£164 million) and investment properties with a carrying value of HK\$1.95 billion (£199 million) (assuming the events referred to above had occurred). In 2016, the PRC Assets generated gross rental income of HK\$125 million (£12.8 million).

### **Macro-economic outlook**

The global economy and political environment continue to be clouded with uncertainties and rapid changes, as a result of, inter alia, the decision by the United Kingdom to leave the European Union (Brexit), the new government of the United States of America, the recovery pace of the Eurozone economies, the strengthening of the US dollar and the upward pressure on US interest rates. The AGP Group is closely monitoring the evolving market developments and intends to adopt a prudent and effective policy in managing risks associated with the various challenges ahead.

The PRC was able to achieve 6.7 per cent. GDP growth rate in 2016 by implementing a proactive fiscal policy and prudent monetary policy, which was within the PRC Central Government's targeted range. Moreover, the "Belt and Road" initiative has continued to promote development and business co-operation among the participating regions and nations, which the Directors believe should benefit Hong Kong and the PRC.

### **Future business strategy**

The AGP Group will continue to focus on property development and property investment projects. During the year ended 31 December 2016, the rental income from investment properties situated in the PRC continued to provide stable returns to the AGP Group. It is the AGP Group's approach to review and optimise its property portfolio from time to time. The AGP Group's office properties in the PRC are facing a challenging environment arising from increasing supply and depreciation of RMB. Having said that, AGP's office properties in the PRC have been maintaining a relatively high occupancy rate and rent as compared with the market, and provide stable cash flows to the AGP Group. AGP intends to continue to build on the strong foundation of its leasing portfolio, execute an effective leasing strategy and seek to add value to its properties through asset enhancement initiatives.

The AGP Group has significant funds for future investments after the disposal of Dah Sing Financial Centre and the various PRC property development projects as detailed below, and will still do so following the completion of the AGP Reorganisation. With the increasing levels of urbanisation and levels of disposable income in the PRC, the property investment levels and property prices have continued to grow in the PRC. According to the National Bureau of Statistics of the PRC, (i) the total investment in the PRC real estate market increased from RMB9,597.9 billion in 2015 to RMB10,258.1 billion in 2016, representing approximately a year-to-year increase of 6.9 per cent.; and (ii) the total investment in the PRC real estate market increased from RMB 905.2 billion for the two months ended 28 February 2016 to 985.4 billion for the two months ended 28 February 2017, representing a period-to-period increase of approximately 8.9 per cent.. The AGP Group will continue to monitor the property markets of the PRC and other markets closely, in order to identify potential acquisition targets at opportune times.

## **Recent disposals of PRC property projects**

During the year ended 31 December 2016, the AGP Group disposed of various PRC property projects, the background to and reasons for which are detailed below:

- (a) Chengdu Nova City Project, Chengdu, Sichuan Province: On 22 August 2016, the AGP Group entered into a sale and purchase agreement in relation to the disposal of the Chengdu Nova City Project for a consideration of HK\$890 million (£87.7 million) in cash of which HK\$445 million (£45.6 million) has been received to date with the balance due in August 2017. Completion of the disposal took place on 29 August 2016. The reason for the disposal was, given that the development cycle of this project was relatively long, and having regard to the increasingly challenging business environment and the uncertainties of the prospects of the property market in the PRC (except for some cities like Shenzhen, Beijing and Shanghai), the AGP Board considered that the disposal would enable the AGP Group to realise its investment in the land at fair value as part of the AGP Group's strategic plan for its property portfolio, reduce its operational risk, and for better utilization of the AGP Group's resources.
- (b) Kaifeng Nova City Project, Kaifeng, Henan Province: On 19 April 2016, the AGP Group entered into a sale and purchase agreement in relation to the disposal of the Kaifeng Nova City Project for a consideration of HK\$900 million (£81.4 million) in cash. Completion of the disposal took place on 26 April 2016. The reason for the disposal was that the development cycle of the Kaifeng project was relatively long; having regard to the increasingly challenging business environment and the uncertainties of the prospects of the property market in the PRC (except for some cities like Shenzhen, Beijing and Shanghai), the AGP Board considered that the disposal would enable the AGP Group to realise its investment in the properties at fair value as part of the AGP Group's strategic plan for its property portfolio, reduce its operational risk, and for better utilization of the AGP Group's resources.
- (c) Certain properties under development in Huangshan City, Anhui Province: On 3 August 2016, the AGP Group entered into a sale and purchase agreement with an independent third party to sell the entire interest in companies which beneficially own the properties under development in Huangshan City, Anhui Province, the PRC, for a consideration of HK\$2 million (£0.2 million). The disposal was completed on the same date.

For further details of such projects, please see the results announcement of AGP for the year ended 31 December 2016 and the announcements of AGP dated 19 April 2016 and 22 August 2016.

Note: Amounts which appear in Pounds Sterling in paragraphs (a) – (c) above do not use the exchange rate as set forth in the "Definitions" section of this document and are stated at the Pounds Sterling level in which the amount was previously disclosed by the Company in the relevant announcements.

## **8. Strategy of the AGP Group following the AGP Reorganisation**

As set out above, it is the AGP Board's current intention to focus on property developments and investments in the PRC. However, while it is the AGP Board's current intention to do so, the AGP Board does not believe that AGP should be restricted in its sphere of activities.

Hence, the AGP Board has not committed to limit its sphere of activities solely to the PRC or to property related development and investments. The AGP Board will determine AGP's sphere of activities taking into consideration market opportunities, AGP's financial resources and its core competence.

## **9. Company name and registered office**

The Company's name and registered office will remain unchanged following completion of the AGP Reorganisation.

## **10. Directors and management of the Company following the AGP Reorganisation**

The AGP Board will remain unchanged following the AGP Reorganisation save that:

- Mr. Lincoln Lu will be appointed as the chief executive officer of AGP.
- Mr. Lambert Lu will be re-designated as a non-executive director of AGP.

Brief biographies of the AGP directors are set out below:

**Richard Öther Prickett:** Non-executive Chairman and Independent Non-executive Director

Mr. Prickett joined the AGP Board in January 2006 and became the Non-executive Chairman of the Company in March 2010. Mr. Prickett is also the chairman of the Audit, Nomination and Remuneration Committees of the Company. He is a Chartered Accountant in England and Wales and has many years' experience in corporate finance.

Mr. Prickett is a director of another company listed on the AIM Market and a director of a listed investment trust.

**Lincoln Lu:** Chief Executive Officer

Mr. Lu joined the AGP Board in March 2014. He is also a director of various members of the AGP Group.

Mr. Lu is a member of the Sichuan Committee of Chinese People's Political Consultative Conference and an executive member of All-China Federation of Industry and Commerce. Mr. Lu holds a Bachelor of Arts degree from the University of British Columbia in Canada. He was primarily responsible for the AGP Group's hotel and project management operations.

Following the AGP Reorganisation, Mr. Lu will also be responsible for leading the overall strategic direction and management of the AGP Group.

Mr. Lu will also revert to be a non-executive director of SEA.

**Lu Wing Chi:** Executive Director

Mr. Lu joined the AGP Board in March 2004. He is also a director of various members of the AGP Group.

Mr. Lu has valuable experience in property investment and development in Hong Kong and throughout the Asia-Pacific region.

Mr. Lu is the chairman of SEA.

**David Andrew Runciman:** Executive Director

Mr. Runciman joined the AGP Board in January 2006. He is a Fellow of the Royal Institution of Chartered Surveyors of the United Kingdom and has spent much of his working career in Asia dealing with all aspects of residential and commercial real estate markets.

Mr. Runciman formerly served as the chairman for Asia Pacific for CBRE, the world's largest property services company and had worked with Richard Ellis (subsequently CBRE) for many years. In addition, Mr. Runciman is the chief executive officer of Scottish and Oriental Estates which is his own investment company and has been a Hong Kong resident since 1977.

**Lambert Lu:** Non-Executive Director

Mr. Lu joined the AGP Board in September 2008. He is also a director of various members of the AGP Group.

Mr. Lu is a member of the Henan Committee of Chinese People's Political Consultative Conference and was previously the vice chairman of The Chamber of Hong Kong Listed Companies. Mr. Lu holds a Bachelor's degree from the University of British Columbia in Canada.

Mr. Lu is a director of SEA. Following the completion of the SEA Distribution in Specie, he will also be appointed as the chief executive officer of SEA.

**Lam Sing Tai:** Non-executive Director

Mr. Lam joined the AGP Board in March 2014 and is a member of the Audit and Remuneration Committees of the Company. He is also a director of various members of the AGP Group.

Mr. Lam is primarily responsible for the sales and marketing matters of the AGP Group's properties in Hong Kong and Mainland China and has valuable and solid experience in property development and investment.

Mr. Lam is a non-executive director of SEA.

**John David Orchard Fulton:** Independent Non-executive Director

Mr. Fulton joined the AGP Board in July 2014 and is a member of the Audit and Remuneration Committees of the Company. He is a consultant to law firm Anderson Strathern LLP and has been doing business in the Far East since 1996. He is well experience in property and as an adviser to major landowners and also as a secretary and trustee of registered charities.

Mr. Fulton, a Notary Public and an accredited mediator, is the Chair of the Clark Foundation for Legal Education, and served as treasurer of the Society of Writers to Her Majesty's Signet. He holds a LL.B. degree from the University of Edinburgh in the United Kingdom.

## **11. Corporate governance**

There will be no change to the composition of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company following completion of the AGP Reorganisation.

## 12. Constitutional documents

The Company's memorandum of association and bye-laws will remain the same following completion of the AGP Reorganisation.

## 13. Share capital

The Company's share capital will remain the same following completion of the AGP Reorganisation.

## 14. Directors and other Significant Shareholdings

The following are the interests of the Directors and the interests of other Shareholders which represent, directly or indirectly, 3 per cent. or more of the issued share capital of the Company (i) on 30 March 2017, being the last practicable date prior to the date of this announcement; and (ii) immediately following completion of the SEA Distribution in Specie but prior to completion of the NLI Share Exchange Offer:

Significant Shareholders	(i) As at 30 March 2017		(ii) Immediately following the SEA Distribution in Specie <sup>4</sup>	
	Number of AGP Shares	Percentage	Number of AGP Shares	Percentage
SEA Holdings	861,278,857	97.17%	—	—
NLI	—	—	562,860,412	63.50%
<b>Total</b>	<b>861,278,857</b>	<b>97.17%</b>	<b>562,860,412</b>	<b>63.50%</b>
<b>Director Shareholdings</b>				
Richard Prickett	—	—	—	—
Lu Wing Chi <sup>1</sup>	—	—	13,805,146	1.56%
Lincoln Lu <sup>2</sup>	—	—	23,454,302	2.65%
Lambert Lu <sup>3</sup>	—	—	22,411,043	2.53%
David Runciman	520,000	0.06%	520,000	0.06%
Lam Sing Tai	—	—	4,096,225	0.46%
John Fulton	—	—	—	—
<b>Total</b>	<b>520,000</b>	<b>0.06%</b>	<b>64,286,716</b>	<b>7.26%</b>

1. Immediately following the SEA Distribution in Specie, Mr. Lu Wing Chi, executive director of the Company, will be deemed to have an indirect beneficial shareholding interest in 349,455,477 AGP Shares, representing approximately 39.43 per cent. of the existing issued share capital of the Company, by virtue of his following interests:
  - (a) 30 per cent. direct shareholding interest in NLI;

- (b) 49 per cent. direct shareholding interest in JCS Limited; and
  - (c) 100 per cent. direct shareholding interest in NYH Limited (NYH Limited will own 5,242,696 AGP Shares (0.59 per cent.)).
2. Immediately following the SEA Distribution in Specie, Mr. Lincoln Lu, executive director of the Company, will be deemed to have an indirect beneficial shareholding interest in 109,323,814 AGP Shares, representing approximately 12.33 per cent. of the existing issued share capital of the Company, by virtue of his following interests:
    - (a) 3.21 per cent. direct shareholding interest in NLI; and
    - (b) 25.5 per cent. direct shareholding interest in JCS Limited.
  3. Immediately following the SEA Distribution in Specie, Mr. Lambert Lu, executive director of the Company, will be deemed to have an indirect beneficial shareholding interest in 109,323,814 AGP Shares, representing approximately 12.33 per cent. of the existing issued share capital of the Company, by virtue of his following interests:
    - (a) 3.21 per cent. direct shareholding interest in NLI; and
    - (b) 25.5 per cent. direct shareholding interest in JCS Limited.
  4. All numbers are based on the share register of SEA and AGP as at the date of this announcement.

## **15. Relationship Agreement**

At the time of the Company's admission to trading on AIM in 2006, SEA entered into a controlling shareholder agreement with the Company pursuant to which SEA agreed, for as long as it held 30 per cent. of the share capital of the Company, not to undertake any activity which would result in AGP or any member of the AGP Group ceasing to be capable of carrying on their businesses independently of the SEA Group and that all transactions entered into between such parties will be carried out at arm's length. Accordingly, upon completion of the SEA Distribution in Specie, such agreement will cease to have effect. Since NLI will, pursuant to and upon completion of, the SEA Distribution in Specie but prior to completion of the NLI Share Exchange Offer, hold at least 63.50 per cent. of the share capital of the Company (assuming there will be no change in the issued share capital of the Company from the date of this announcement to completion of the SEA Distribution in Specie), it has entered into a new relationship agreement with the Company dated 31 March 2017 on similar terms to the existing agreement with SEA, conditional upon completion of the SEA Distribution in Specie.

## **16. New Cost Sharing Agreement**

As set out above, AGP will in due course be largely independently managed from SEA after the AGP Reorganisation. Currently, the AGP Group has its own administrative and operational staff (mainly PRC staff) separate from those of SEA Group to operate and manage its own business. AGP Group also shares the office premises of the SEA Group and pursuant to the old cost sharing agreement, SEA Group also provided services, such as finance, compliance and secretarial staff support to AGP Group.

However, as it is not feasible to segregate certain staff at corporate level of AGP from SEA immediately following completion of the AGP Reorganisation and the SEA Distribution in Specie, accordingly on 31 March 2017, AGP and SEAI, a wholly-owned subsidiary of SEA, have entered into the New Cost Sharing Agreement pursuant to which SEAI will continue to provide AGP with certain services (namely finance, compliance and company secretarial staff support) for an interim period. This period will not exceed one calendar year, and it is expected that AGP will commence recruiting personnel (from SEA or third parties) shortly after completion of the AGP Reorganisation. It is also AGP's intention that it will enter into a lease agreement directly with the third party landlord for its own office premises following completion of the AGP Reorganisation.

The New Cost Sharing Agreement will take effect upon completion of the AGP Reorganisation and the SEA Distribution in Specie.

Details of the New Cost Sharing Agreement are set out below:

- SEAI has agreed to provide to AGP and its subsidiaries and associates, at the request of the Service Recipients, SEAI's employees and facilities of SEAI on a cost-sharing arrangement for the purposes of their corporate, project and property management activities.
- In consideration of SEAI making available its personnel and facilities to AGP and its subsidiaries and associates, AGP agrees to bear and to pay for itself and on behalf the Service Recipients their proportionate share of the costs incurred by SEAI for the use of SEAI's employees and facilities. The costs will be determined on an arm's-length basis for all activities rendered for each quarter (the "Net Costs").
- The Net Costs payable are on the same basis as the previous cost sharing agreement.
- The Net Costs are the proportion of staff costs and indirect costs to be borne by AGP and its Service Recipients and will be calculated by reference to the total time spent by SEAI's personnel on the services to each of AGP and its Service Recipients (with a mark-up of 5 per cent.), plus the reimbursable costs incurred by SEAI on behalf of AGP and its Service Recipients (on a dollar-for-dollar basis). Each of AGP and its Service Recipients should bear and pay its proportion of the Net Costs.

The New Cost Sharing Agreement replaces a previous cost sharing agreement between the parties dated 29 July 2014 which will be terminated upon the completion of the AGP Reorganisation at no cost to AGP.

The New Cost Sharing Agreement is intended to provide a transitional arrangement in order to ensure a smooth transition of the operations of the AGP Group.

The New Cost Sharing Agreement does not restrict the Company from hiring staff, whether from the SEA Group or externally.

The New Cost Sharing Agreement is for a period not exceeding one calendar year following the completion of the AGP Reorganisation. However, the termination provisions are such that AGP can terminate the New Cost Sharing Agreement by giving SEAI three months' notice. AGP can also terminate the participation of any of its Service Recipients by giving a notice stating when the service will be terminated. SEAI can terminate their participation in the New Cost Sharing Agreement on three months' notice but AGP can request SEAI to extend the notice period by up to a further three months to facilitate an orderly handover.

The New Cost Sharing Agreement constitutes a related party transaction for the Company under AIM Rule 13. The AGP Independent Directors consider, having consulted with Panmure Gordon, that the terms of the New Cost Sharing Agreement are fair and reasonable insofar as the AGP Shareholders are concerned.

## **17. The Non-Competition Deed**

On 31 March 2017, AGP and NLI entered into the Non-Competition Deed pursuant to which NLI undertook to AGP that:

- (i) it will not, and will use its reasonable endeavours to procure that its close associates do not, acquire any Material Restricted Asset (as defined below); and
- (ii) it will use its voting rights to vote against any of its close associates acquiring any Material Restricted Asset (as defined below).

For this purpose “Material Restricted Asset” is any business or asset (other than financial instruments) which relates to real estate development or investment in the PRC, the consideration for fair value of which would exceed HK\$200 million (£20.5 million).

Such restrictions do not apply to any acquisition which NLI or its close associates have received prior written confirmation of no-objection from AGP (acting through its independent directors). If NLI does not receive any response from AGP within 30 days of being so notified by NLI, AGP is deemed not to have objected.

The Non-Competition Deed will take effect upon completion of the AGP Reorganisation and the SEA Distribution in Specie. If this condition is not satisfied on or before 30 June 2017, the Non-Competition Deed shall become null and void and cease to have any effect.

The Non-Competition Deed shall terminate upon the earlier of:

- (a) NLI and its close associates in aggregate holding less than 30 per cent. of the issued shares of AGP;
- (b) AGP ceasing to be a publicly traded company; or
- (c) the expiry of five years from the date of the Non-Competition Deed.

## **18. Independence of the AGP Group from SEA**

Following completion of the AGP Reorganisation and the SEA Distribution in Specie, the AGP Group will be capable of carrying on its business independent of the SEA Group (other than in relation to the limited matters covered in the New Cost Sharing Agreement). In particular:

- (a) the AGP Group’s management and operational decisions are made by its executive directors. The chief executive officer of AGP has no executive function in SEA (although he is also a director of SEA);
- (b) the AGP Group has three directors who are independent of SEA and who will bring independent judgment to the decision-making process of the AGP Board;
- (c) the AGP Group has its own independent operational capabilities and independent access to customers and suppliers;
- (d) the AGP Group is in possession of all relevant permits and licenses necessary to carry on and operate its business;
- (e) the AGP Group has sufficient operational capacity in term of capital and employees to

operate independently;

- (f) the AGP Group will continue to be financially independent of the SEA Group;
- (g) the AGP Group has its own accounting system, accounting and finance function and independent treasury function for cash receipts and payments, and operational staff for each of its PRC Assets based in the relevant location;
- (h) the AGP Group has to date, and will continue to have, independent access to external financing; and
- (i) save in relation to certain finance, compliance and company secretarial services (which are subject of the New Cost Sharing Agreement), the AGP Group has its own capabilities and personnel to perform all essential administrative functions, including financial and accounting management, business management and development.

## **19. Current trading and prospects**

Since the end of the Company's last financial year, there has been no material change in the level of occupancy in the Company's properties and no new leases have been signed. The management continue to work on leasing the current vacant property.

On 17 March 2017, the Company announced that it has declared a special cash dividend of HK\$2.25 per AGP Share to the AGP Shareholders, payable on Thursday, 13 April 2017, on the share register on Friday, 31 March 2017.

## **20. Hong Kong Codes on Takeovers and Mergers and Share Buybacks**

Following the completion of the SEA Distribution in Specie, the Securities and Futures Commission of Hong Kong has indicated that the Company will be treated as a public company in Hong Kong in accordance with the Hong Kong Codes on Takeovers and Mergers and Share Buybacks due to the expected number of AGP Shareholders who will be based in Hong Kong.

If the Company ceases to be a public company in Hong Kong, The Hong Kong Codes on Takeovers and Mergers and Share Buy-backs will cease to apply.

In order to determine whether a company is a public company in Hong Kong, The Takeovers Executive of the Securities and Futures Commission of Hong Kong (the "Executive") will consider all the circumstances and will apply an economic or commercial test, taking into account primarily the number of Hong Kong shareholders and the extent of share trading in Hong Kong and other factors including:

- (a) the location of its head office and place of central management;
- (b) the location of its business and assets, including such factors as registration under companies legislation and tax status; and
- (c) the existence or absence of protection available to Hong Kong shareholders given by any statute or code regulating takeovers, mergers and share repurchases outside Hong Kong.

A company which is in any doubt about its status as a public company in Hong Kong should consult the Executive at an early stage.

## **21. Proposed NLI Share Exchange Offer**

Your attention is also drawn to the SEA Announcement in respect of the NLI Share Exchange Offer.

Pursuant to the SEA Distribution in Specie, the AGP Shares held by SEA would be distributed to the SEA Shareholders by way of a special dividend in specie. The Directors note that the SEA Announcement states that in view of the fact that the AGP Shares are admitted to trading on AIM, and recognising that some SEA Shareholders who receive AGP Shares pursuant to the SEA Distribution in Specie may not wish to hold AGP Shares (given that they may not wish to hold/trade AIM shares) NLI, as a means to provide AGP Shareholders (both existing and arising as a result of the SEA Distribution in Specie) with a liquidity option for the AGP Shares (apart from selling those AGP Shares either on-market or off-market) intends to make a voluntary NLI Share Exchange Offer to qualifying AGP Shareholders to exchange their AGP Shares for SEA Shares held by NLI, subject to satisfaction of the conditions to the NLI Share Exchange Offer.

While the offer will be extended to all AGP Shareholders, only AGP Shareholders who reside in jurisdictions in which NLI is entitled to make the NLI Share Exchange Offer without additional regulatory compliance or costs (other than The Hong Kong Codes on Takeovers and Mergers) will be permitted to participate in the offer.

The AGP independent board committee comprising the independent non-executive Directors will be formed to consider and, if appropriate, give a recommendation to the AGP independent Shareholders (being AGP Shareholders other than NLI and parties acting in concert with it) in connection with the NLI Share Exchange Offer. An independent financial adviser will be appointed to advise the AGP independent board committee and the AGP independent Shareholders (being the Shareholders other than NLI and parties acting in concert with it), in particular, as to whether the NLI Share Exchange Offer is, or is not, fair and reasonable and to make a recommendation to the AGP Independent Shareholders as to acceptance in respect of the NLI Share Exchange Offer. A further announcement will be made upon the appointment of the independent financial adviser. The advice and recommendations of the independent financial adviser in respect of the NLI Share Exchange Offer will be included in the composite document to be issued pursuant to The Hong Kong Codes on Takeovers and Mergers and Share Buy-backs by or on behalf of NLI (as the offeror) and AGP (as the offeree company) to all Shareholders.

Further details of the NLI Share Exchange Offer are set out in the SEA Announcement and will be in the composite offer and response document to be issued by NLI and AGP in accordance with The Hong Kong Codes on Takeovers and Mergers following completion of the SEA Distribution in Specie.

The AGP Board and Panmure Gordon note that if the take up under the NLI Share Exchange Offer is significant, it may not improve AGP's Shares in public hands position, which may impact AGP's ability to remain admitted to trading on AIM, in particular if the Shares in public hands following completion of the NLI Share Exchange Offer was below 10 per cent.



Available-for-sale investments	1,253,243	—	—	(1,245,487)	—	—	7,756
Restricted bank deposits	5,589	—	—	—	—	—	5,589
	5,697,789	—	2,607,825	(6,299,671)	—	—	2,005,943
<b>Current assets</b>							
Properties held for sale							
Completed properties	423,061	—	—	—	—	—	423,061
Inventories	1,196	—	—	(1,196)	—	—	—
Loan receivables	376	—	—	(376)	—	—	—
Note receivables	15,509	—	—	(15,509)	—	—	—
Available-for-sale investments	137,204	—	—	(133,327)	—	—	3,877
Receivables, deposits and prepayments	585,379	—	—	(63,940)	8,913,354	(8,913,354)	521,439
Tax recoverable	3,088	—	—	(3,088)	—	—	—
Amounts due from non-controlling interests	38	—	—	(38)	—	—	—
Pledged bank deposits	533,105	—	—	(533,105)	—	—	—
Bank balances and cash	9,240,168	(1,994,283)	—	(5,235,708)	—	(260,346)	1,749,831
	10,939,124	(1,994,283)	—	(5,986,287)	8,913,354	(9,173,700)	2,698,208
<b>Current liabilities</b>							
Payables, rental deposits and accrued charges	157,629	—	—	(72,815)	—	—	84,814
Tax liabilities	7,424	—	—	(4,910)	—	—	2,514
Amounts due to non-controlling interests	87,754	—	—	—	—	—	87,754
Bank borrowings — due within one year	1,464,928	—	—	(1,419,582)	—	—	45,346
	1,717,735	—	—	(1,497,307)	—	—	220,428

<b>Net current assets</b>	9,221,389	(1,994,283)	—	(4,488,980)	8,913,354	(9,173,700)	2,477,780
<b>Total assets less current liabilities</b>	14,919,178	(1,994,283)	2,607,825	(10,788,651)	8,913,354	(9,173,700)	4,483,723

**Pro forma adjustments for the Proposed AGP Reorganisation**

	Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4			
Audited consolidated statement of financial position of the AGP Group as at 31 December 2016 HK\$'000 <i>Note 1</i>	Special dividend HK\$2.25 per AGP Share declared by the Company on 17 March 2017 HK\$'000 <i>Note 2</i>	Fair value adjustment on Non-PRC Assets HK\$'000 <i>Note 3</i>	Disposal of Non-PRC Assets to SEA HK\$'000 <i>Note 4</i>	Consideration payable by SEA to the Company for disposal of the Non-PRC Assets HK\$'000 <i>Note 5</i>	AGP Special Dividend Payment of following completion of the Sale HK\$'000 <i>Note 6</i>	Unaudited pro forma consolidated statement of financial position of the AGP Group HK\$'000	
<b>Capital and reserves</b>							
Share capital	345,204	—	—	—	—	345,204	
Reserves	12,444,309	(1,994,283)	2,607,825	(8,879,194)	8,913,354	(9,173,700)	3,918,311
Equity attributable to the Company's shareholders	12,789,513	(1,994,283)	2,607,825	(8,879,194)	8,913,354	(9,173,700)	4,263,515
Non-controlling interests	(80,244)	—	—	(3,674)	—	—	(83,918)
<b>Total equity</b>	12,709,269	(1,994,283)	2,607,825	(8,882,868)	8,913,354	(9,173,700)	4,179,597
<b>Non-current liabilities</b>							
Bank borrowings — due after one year	1,993,705	—	—	(1,902,803)	—	—	90,902
Deferred taxation	216,204	—	—	(2,980)	—	—	213,224
	2,209,909	—	—	(1,905,783)	—	—	304,126
	14,919,178	(1,994,283)	2,607,825	(10,788,651)	8,913,354	(9,173,700)	4,483,723

1. The net asset figures of the AGP Group have been extracted, without adjustment, from the audited consolidated statement of financial position of the AGP Group as at 31 December 2016 prepared in accordance with International Financial Reporting Standards, as announced on 17 March 2017.
2. A special dividend of HK\$2.25 per AGP Share was declared on 17 March 2017 on the issued share capital of 886,347,812 AGP Shares, totalling HK\$1,994,283,000 and payable in cash.
3. The adjustment to the carrying value of the AGP Group's property, plant and equipment is as a result of the assessment of the market value of the AGP Group's Crowne Plaza Hong Kong Causeway Bay, adjusted by HK\$2,607,825,000 (being the fair value of Crowne Plaza Hong Kong Causeway Bay as at 28 February 2017 of HK\$3,500,000,000 less its carrying value of HK\$892,175,000 as extracted from the audited financial statements of the AGP Group as at 31 December 2016). There is no adjustment to the carrying value of 20 Moorgate, London.
4. The financial information relating to the BSGL Group has been extracted, without adjustment, from the audited consolidated statement of financial position of the AGP Group as at 31 December 2016.
5. The consideration has been determined on the basis of the value of the net assets of the BSGL Group as at 31 December 2016, being HK\$8,879,194,000, adjusted by HK\$2,607,825,000 as set out in note 3 above.
6. AGP Special Dividend Payment (being a special dividend of HK\$9,173,700,000) has been declared conditionally on 29 March 2017 as part of the AGP Reorganisation, of which HK\$8,913,354,000 is to be settled by offsetting the receivable from SEA on the Sale and the remaining HK\$260,346,000 to be settled in cash.
7. No adjustment to the balance sheet has been made to reflect the trading results of the AGP Group since 31 December 2016.

### APPENDIX III

#### DETAILS OF NON-PRC ASSETS

Details of the Non-PRC Assets are set out below.

#### PROPERTIES

Name of Property	Location	Lease expiry	Usage	Approx. gross floor area (square meters)	Occupancy % as at 31 December 2016
20 Moorgate, London EC2R 6DA (Note 1)	20 Moorgate, London EC2R 6DA United Kingdom	Leasehold term of approximately 138 years unexpired	Office	14,386.3	100% (Major tenant: Prudential Regulatory Authority (a regulatory body of the Bank of England)) with remaining lease term until 30 June 2027)
Crowne Plaza Hong Kong, Causeway Bay (Note 2)	8 Leighton Road, Causeway Bay, Hong Kong	6 November 2049	Hotel (managed by the InterContinental Hotels Group)	14,945	100%

Notes:

1. Investment properties
2. Property, plant and equipment

#### OTHERS

- bank balances and cash, including pledged bank deposits (approximately HK\$5,800 million as at 31 December 2016 for illustrative purpose);

- certain short-term treasury investments, mainly listed and unlisted debt securities (approximately HK\$1,400 million as at 31 December 2016 for illustrative purpose); and
- bank borrowings (approximately HK\$3,300 million as at 31 December 2016 for illustrative purpose).

## **APPENDIX IV**

### **DETAILS OF PRC ASSETS**

Details of the PRC Assets that will continue to be held by the Company following completion of the Sale are set out below.

<b>Name of property</b>	<b>Location</b>	<b>Lease expiry</b>	<b>Usage</b>	<b>Approximate gross floor area (square meters)</b>	<b>Occupancy % as at 31 December 2016 and Weighted Average Lease Length</b>	<b>Market value as at 31 December 2016</b>	<b>Carrying value as at 31 December 2016</b>
Plaza Central (Note 1)	8 Shunchengda Street, Yanshikou, Jinjiang District, Chengdu, Sichuan Province, the PRC	6 October 2063 (leasehold)	Commercial/Office	91,455 (including car parking floors)	79%, 10.8 years (Major tenant of commercial usage: Chengdu New World Department Store  Major tenant of office usage: Fortune 500 companies and governmental bodies)  Office with gross floor area of 1,704.04 square meters was occupied by the owner	RMB1,382.0 million	Investment properties HK\$1,513.0 million  Property, plant and equipment HK\$35.9 million
Commercial podium in Zone B and car parking spaces on Basements 2 and 3, New Century Plaza (Note 1)	No. 6 Xi Yu Long Street, Qingyang District, Chengdu, Sichuan Province, the PRC	18 May 2063 (leasehold)	Commercial	19,261 (including car parking spaces)	100%, 12.5 years (Major tenant: A hotel operator)	RMB135.9 million	Investment properties HK\$151.9 million

Office Tower, Westmin Plaza Phase II (Note 1)	50 Zhong Shan 7 <sup>th</sup> Road, Li Wan District, Guangzhou, Guangdong Province, the PRC	23 May 2050 (leasehold)	Office	16,112	95%, 4.3 years (Major tenant: AIA)	RMB259.0 million	Investment properties HK\$286.4 million
					Office with gross floor area of 170.00 square meters was occupied by the owner		Property, plant and equipment HK\$2.9 million
Commercial podium, Westmin Plaza Phase II (Note 2)	48-58 Zhong Shan 7 <sup>th</sup> Road, Li Wan District, Guangzhou, Guangdong Province, the PRC	23 May 2050 (leasehold)	Commercial	45,984 (including car parking floors)	Portion of property with as gross floor area of 217.53 square meters was leased out	RMB440.0 million	Properties held for sale HK\$423.1 million
					The car parking spaces were let on either monthly or hourly basis		
					The remaining portion was vacant		

*Notes:*

1. Investment properties
2. Properties held for sale

## APPENDIX V

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<b>Events</b>	<b>Expected date</b>
Publication of the Circular	31 March 2017
Latest time and date for receipt of Forms of Instruction for the SGM	no later than 9.00 a.m. (Hong Kong time 4.00 p.m.) on Tuesday, 18 April 2017
Latest time and date for receipt of Forms of Proxy for the SGM	no later than 9.00 a.m. (Hong Kong time 4.00 p.m.) on Wednesday, 19 April 2017
Date and time of the SGM	4.00 p.m. (Hong Kong time) on Friday, 21 April 2017
AGP Shares marked ex-dividend	Thursday, 27 April 2017
Record date for the AGP Special Dividend Payment	Friday, 28 April 2017
Proposed date of completion of SP Agreement	Thursday, 4 May 2017
AGP Special Dividend payment date	Wednesday, 10 May 2017

#### *Notes*

- 1 Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to holders of AGP Shares by announcement on a Regulatory Information Service.
- 2 All of the above times refer to Hong Kong time unless otherwise expressly indicated.
- 3 The events in the above timetable following the SGM are conditional upon, *inter alia*, approval by the Shareholders of the Resolutions at the SGM.

## APPENDIX VI

### DEFINITIONS

The following definitions apply throughout this announcement unless otherwise stated or the context requires otherwise:

<b>“AGP” or the “Company”</b>	means Asian Growth Properties Limited, an exempted company registered in Bermuda with limited liability, whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
<b>“AGP Board”</b>	means the board of directors of AGP;
<b>“AGP Group”</b>	means (i) prior to the completion of the Sale, AGP and its subsidiaries (including the BSGL Group), and (ii) after the completion of the Sale, AGP and its subsidiaries (excluding the BSGL Group);
<b>“AGP Independent Directors”</b>	means Richard Prickett, David Runciman and John Fulton;
<b>“AGP Reorganisation”</b>	means the reorganisation of the AGP Group comprising the Sale and the AGP Special Dividend Payment;
<b>“AGP Shares”</b>	means common shares of US\$0.05 each in the capital of the Company;
<b>“AGP Special Dividend Payment”</b>	means the proposed conditional special dividend declared by the Company further details of which are set out in paragraph 3 of Appendix I of this announcement;
<b>“AIM”</b>	means the AIM Market of the London Stock Exchange;
<b>“AIM Rules”</b>	means the AIM Rules for Companies published by the London Stock Exchange;
<b>“BSGL”</b>	means Benefit Strong Group Limited, a company incorporated in the BVI and, as at the date of this announcement, a direct wholly owned subsidiary of the Company;
<b>“BSGL Group”</b>	means BSGL and its subsidiaries, which hold the Non-PRC Assets;
<b>“BVI”</b>	means the British Virgin Islands;
<b>“Circular”</b>	means the circular of the Company giving (amongst other things) details of the Sale and incorporating the Notice of SGM, which is to be published on or around 31 March 2017;
<b>“close associate”</b>	having the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
<b>“Companies Act”</b>	means the Companies Act 1981 of Bermuda;
<b>“Depositary Interests”</b>	means depositary interests representing AGP Shares;
<b>“Director(s)”</b>	means the director(s) of the Company;
<b>“FCA”</b>	means the UK Financial Conduct Authority;
<b>“Form of Instruction”</b>	means the form of instruction for use by Depositary Interest holders in connection with the SGM;
<b>“Form of Proxy”</b>	means the form of instruction for use by holders of the AGP Shares;
<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the PRC;
<b>“London Stock Exchange”</b>	means London Stock Exchange plc;

<b>“NAV”</b>	means net asset value;
<b>“New Cost Sharing Agreement”</b>	means the new cost sharing agreement entered into between the Company and SEAI dated 31 March 2017;
<b>“NLI”</b>	means Nan Luen International Limited, an exempted company registered in Bermuda with limited liability and a controlling shareholder of SEA;
<b>“NLI Share Exchange Offer”</b>	means the voluntary NLI Share Exchange Offer proposed to be made by NLI to qualifying Shareholders as referred to in paragraph 21 of Appendix I of this announcement, further details of which are set out in the SEA Announcement;
<b>“Non-Competition Deed”</b>	means the deed dated 31 March 2017 entered into between AGP and NLI setting out how the parties will deal with business opportunities arising following completion of the AGP Reorganisation;
<b>“Non-PRC Assets”</b>	means the assets and liabilities owned by the BSGL Group described in Appendix III of this announcement;
<b>“Notice of SGM”</b>	means the notice of SGM set out at Part VI of the Circular;
<b>“Panmure Gordon”</b>	means Panmure Gordon (UK) Limited, a company incorporated in England and Wales with company number 04915201 and the Company’s nominated adviser and broker for the purposes of the AIM Rules, a member of the London Stock Exchange and regulated by the FCA;
<b>“PRC”</b>	means the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
<b>“PRC Assets”</b>	means all the assets and liabilities of the AGP Group that are located within the PRC as more fully described in Appendix IV of this announcement;
<b>“Related Party”</b>	includes any person who is a director of AGP or of any company which is its subsidiary or parent undertaking, other subsidiary undertaking of its parent undertaking, and any of their associates (as defined in the AIM Rules for Companies), and a substantial shareholder (as defined in the AIM Rules for Companies) including any person who holds any legal or beneficial interest in 10% or more of AGP’s share capital and their associates;
<b>“Resolutions”</b>	means the ordinary resolutions to be proposed at the SGM and set out in the Notice of SGM at Part VI of the Circular;
<b>“Sale”</b>	the proposed disposal of the Non-PRC Assets by way of the sale of the entire issued share capital of BSGL by the Company to SEA pursuant to the SP Agreement;
<b>“SEA”</b>	means S E A Holdings Limited, an exempted company registered in Bermuda with limited liability and a controlling shareholder of AGP, the shares of which are listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 251);
<b>“SEAI”</b>	means South-East Asia Investment and Agency Company, Limited, a limited liability incorporated in Hong Kong and a wholly-owned subsidiary of SEA;
<b>“SEA Announcement”</b>	means the announcement by SEA to be published on or around 2 April 2017 on The Stock Exchange of Hong Kong

	Limited, a copy of which is available on SEA's website and The Stock Exchange of Hong Kong Limited;
<b>"SEA Distribution in Specie"</b>	means the proposed distribution by SEA of the 861,278,857 AGP Shares held by SEA to the qualifying SEA Shareholders in proportion to their respective shareholdings in SEA as at the close of business on the SEA Record Date;
<b>"SEA Group"</b>	means (i) prior to the completion of the SEA Distribution in Specie, SEA and its subsidiaries (including the AGP Group), and (ii) after the completion of the SEA Distribution in Specie, SEA and its subsidiaries (excluding the AGP Group);
<b>"SEA Record Date"</b>	means the record date for the purpose of ascertaining the entitlements of the SEA Shareholders to participate in the SEA Distribution in Specie, being a date no later than 4 May 2017;
<b>"SEA Share(s)"</b>	means ordinary share(s) of HK\$0.10 each in the share capital of SEA;
<b>"SEA Independent Shareholders"</b>	means the SEA Shareholders other than NLI and its close associates;
<b>"SEA Shareholder(s)"</b>	means holder(s) of the SEA Share(s);
<b>"Service Recipients"</b>	means AGP and its subsidiaries and, at the request of AGP, its associates;
<b>"SGM"</b>	means the special general meeting of the Company to be convened at the Board Room, 26th Floor, Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong at 4.00 p.m. (Hong Kong time) (9.00 a.m. London time) on Friday, 21 April 2017, notice of which is set out in Part VI of the Circular;
<b>"Shareholders"</b>	means holders of the AGP Shares and/or holders of the Depository Interests;
<b>"Shares in Public Hands"</b>	means AGP's issued share capital less shares held by (i) a related party; (ii) the trustees of an employee share scheme; (iii) any person who has right to nominate a person to AGP's Board; (iv) any person who is subject to a lock-in agreement pursuant to rule 7 (as defined in the AIM Rules for Companies); and (v) AGP treasury shares. "Shares in public hands" and "free float" are used interchangeably throughout this document; and
<b>"SP Agreement"</b>	means the sale and purchase agreement entered into between AGP and SEA dated 31 March 2017 in relation to the sale and purchase of the entire issued share capital of BSGL.