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AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

CHANGE OF AUDITOR

This announcement is made by Agile Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) hereby announces that PricewaterhouseCoopers (“**PwC**”) has resigned as the auditor of the Company with effect from 15 December 2022. Ernst & Young (“**E&Y**”) has been appointed as auditor of the Company with effect from 15 December 2022 until the conclusion of the next annual general meeting of the Company.

To maintain the good corporate governance in relation to the appointment period of the auditors, the Board and the Audit Committee of the Company consider there should be a rotation of auditor after an appropriate period of time. In view of PwC has been an auditor of the Company for more than 17 years, and after the negotiation with the management of the Company, PwC resigned as auditor of the Company upon the recommendation.

As stated in its resignation letter, during the course of PwC’s work in 2022, based on the management accounts of 雅生活智慧城市服務股份有限公司(A-Living Smart City Services Co., Ltd***) (“**A-Living**”) (one of the principal subsidiaries of the Company) and its subsidiaries (collectively “**A-Living Group**”) as provided by the management of A-Living for the six months ended 30 June 2022, PwC has held discussions with the Company’s management during the process of its audit planning work and has requested A-Living’s management to provide the following additional information relating to certain significant matters which might have an impact on the financial statements of the Group for the year ending 31 December 2022:

- (1) for A-Living Group’s investment in financial products of RMB1.612 billion, provide detailed information on the investment targets of the relevant financial products, its corresponding target assets and the changes in post-investment, and perform relevant audit procedures (including but not limited to): to conduct interviews with relevant parties and confirm all information relating to the investment in such financial products, and to analyse whether the accounting treatment of the investment in financial products complied with the requirements of accounting standards, etc.;

- (2) the commercial rationale for RMB942 million loan provided by A-Living Group to certain third-party corporations with business cooperation, and A-Living's management's understanding of the borrower's operating and financial situation, risk assessment on its repayment ability and assessment of expected credit losses and recent changes in such payments; and
- (3) the commercial rationale of A-Living Group's payment of RMB250 million earnest money to a third-party corporation with intended business cooperation, and the progress of the business cooperation and the recent changes in the relevant payment and the assessment of expected credit losses.

The above matters have been disclosed in the announcement of A-Living on 25 November 2022.

As at the date of this announcement, A-Living Group has recovered part of the investment in financial products and realized its investment returns in accordance with the terms of the investment agreements. The investment in financial products which have not yet been recovered and continued to be held, their fair value exceeds the investment cost. Besides, A-Living Group has recovered part of the borrowings from the third-party corporations in accordance with the loan agreements. Moreover, since the cooperation was not finally reached, A-Living Group has recovered the cooperation earnest money paid to the third party. A-Living Group has relevant internal control procedures in place for the investment in financial products, third-party borrowings and payment with business cooperation. The investment, borrowings and cooperative payment arrangements are made in accordance with such internal control procedures. The above financial products of RMB1.612 billion and RMB942 million loan only account for a relatively small portion of the total assets of the Group.

The Board is aware of the above matters raised by PwC and believes that no substantive audit work for the year ending 31 December 2022 has been carried out by PwC before its resignation. The Board is committed to follow up closely and will provide all necessary information to E&Y for completing its audit works for the year ending 31 December 2022.

Save as disclosed in this announcement, the Board is not aware of any matters or conditions relating to the resignation of PwC that need to be brought to the attention of the shareholders and creditors of the Company.

The Board would like to express its sincere gratitude to PwC for its professional and quality services rendered to the Company during the past years and welcome E&Y as the auditor of the Company.

By Order of the Board
Agile Group Holdings Limited
Ng Wai Hung
Company Secretary

Hong Kong, 15 December 2022

As at the date of this announcement, the Board comprises eleven members, being Mr. Chen Zhuo Lin (Chairman and President), Mr. Chan Cheuk Yin** (Vice Chairperson), Madam Luk Sin Fong, Fion** (Vice Chairperson), Mr. Chan Cheuk Hung*, Mr. Huang Fengchao*, Mr. Chan Cheuk Hei**, Mr. Chan Cheuk Nam**, Dr. Cheng Hon Kwan#, Mr. Kwong Che Keung, Gordon#, Mr. Hui Chiu Chung, Stephen# and Mr. Wong Shiu Hoi, Peter#.*

** Executive Directors*

*** Non-executive Directors*

Independent Non-executive Directors

**** for identification purposes only*