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AGTech Holdings Limited

亞博科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8279)

DISCLOSURE PURSUANT TO RULE 17.10 OF THE GEM LISTING RULES (Possible acquisition of the entire issued share capital of SHINING CHINA INC)

The Board announces that on 23 April 2007, the Purchaser (being an indirect wholly-owned subsidiary of the Company) entered into the LOI with the Vendors in relation to a possible acquisition by the Purchaser of the entire issued share capital of SHINING CHINA INC. SHINING CHINA INC is an investment holding company and its principal asset is its equity interest in a wholly-owned subsidiary which provides consultancy services (including providing training services as well as proposals, recommendations and advice on sales management and on the advertising and marketing strategies in respect of sports lottery tickets issuance and sales) to a PRC company engaged in, among other things, the provision of marketing strategy, promotional and sales management services to 體育彩票管理中心 (the sports lottery administration centres) of certain municipality and provinces in the PRC.

The Directors wish to emphasise that the Possible Acquisition contemplated under the LOI may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction for the Company under the GEM Listing Rules. Shareholders and investors are urged to exercise caution when dealing in the shares of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event that any Formal Agreement has been signed.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board announces that on 23 April 2007, the Purchaser (being an indirect wholly-owned subsidiary of the Company) entered into the LOI with the Vendors in relation to the Possible Acquisition.

LOI

Date: 23 April 2007

Parties: (i) the Purchaser, an indirect wholly-owned subsidiary of the Company; and
(ii) the Vendors

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors (including their respective ultimate beneficial owners) are not connected persons of the Company and are independent of the Company or its connected persons.

Major terms of the LOI

Under the LOI, the parties have agreed to enter, and/or procure their respective controlling shareholders to enter, into arm's length negotiations to agree on the Formal Agreement in respect of the Possible Acquisition to be signed as soon as practicable, and in any event within 2 months from the date of the LOI or such other date as the parties may agree.

Following the entering into of the LOI, the Purchaser will be allowed, within a period of 2 months immediately thereafter (the "Exclusivity Period"), to carry out a legal and financial due diligence review on the Shining China Group on an exclusive basis, meaning that the Vendors will not and will procure the Shining China Group or its management will not initiate, continue or hold discussions with any third party other than the Purchaser in respect of any issue of new shares by SHINING CHINA INC, or any sale of the existing shares of SHINING CHINA INC by the Vendors, during the Exclusivity Period.

The terms of the LOI shall have no legally-binding effect on any of the parties thereto, save for the Exclusivity Period granted to the Purchaser and the fact that the parties to the LOI shall keep matters regarding the LOI confidential unless disclosure thereof is required by the regulatory authority or by any applicable laws and regulations, or is made with the consent of the other parties.

Consideration

The consideration for the Possible Acquisition has yet to be agreed between the parties to the LOI and is subject to the result of the legal and financial due diligence review on the Shining China Group to be conducted by the Purchaser or its professional advisers.

Information on the Shining China Group

The Purchaser has yet to conduct a legal and financial due diligence review on the Shining China Group following the signing of the LOI. But, based on the information obtained by the Purchaser so far, it is noted that SHINING CHINA INC is an investment holding company and its principal asset is its equity interest in a wholly-owned subsidiary which provides consultancy services (including providing training services as well as proposals, recommendations and advice on sales management and on the advertising and marketing strategies in respect of sports lottery tickets issuance and sales) to a PRC company engaged in, among other things, the provision of marketing strategy, promotional and sales management services to 體育彩票管理中心 (the sports lottery administration centres) of certain municipality and provinces in the PRC.

Reasons for entering into the LOI

The Group has been looking for suitable investment opportunities in order to broaden its income source and maximise the return of the Shareholders. Subject to the due diligence review to be conducted by the Purchaser or its professional advisers on the Shining China Group, it is expected that the Possible Acquisition will be an attractive investment opportunity for the Group to widen the scope of its services in the PRC market and, in particular, will represent a major step forward of the Group in further expanding its business into the sports lottery market in the PRC following its first foray into such market through the establishment of a joint venture company with Ladbroke Group as announced by the Company on 23 January 2007.

General

The Directors wish to emphasise that the Possible Acquisition contemplated under the LOI may or may not proceed. If the Possible Acquisition is materialised, it may constitute a notifiable transaction for the Company under the GEM Listing Rules. Shareholders and investors are urged to exercise caution when dealing in the shares of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event that any Formal Agreement has been signed.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	AGTech Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on GEM
“connected persons”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition
“GEM”	the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“LOI”	the letter of intent dated 23 April 2007 entered into between the Purchaser and the Vendors in relation to the Possible Acquisition
“Macao”	the Macao Special Administrative Region of the PRC

“Possible Acquisition”	the possible acquisition by the Purchaser of the entire issued share capital of SHINING CHINA INC
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macao and Taiwan
“Purchaser”	AGTech Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Shareholders”	shareholders of the Company
“Shining China Group”	SHINING CHINA INC and any of its subsidiaries from time to time
“Vendors”	being the two existing shareholders of SHINING CHINA INC, which (including their respective ultimate beneficial owners) are independent of and not connected with the Company or its connected persons

By Order of the Board

Sun Ho

Chairman

Hong Kong, 23 April 2007

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Sun Ho and Mr. Kot Wai Ming, and three independent non-executive Directors, namely Mr. Wang Ronghua, Mr. Hua Fengmao and Mr. Kwok Wing Leung Andy.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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* For identification purpose only