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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)**

## **ISSUE OF CONSIDERATION SHARES PURSUANT TO THE SCORE VALUE TRANSACTION**

Reference is made to (i) the announcement of the Company dated 17 November 2014 and the circular of the Company dated 8 December 2014 in relation to, among other things, the Score Value Transaction (i.e. the acquisition of the entire equity interest in Score Value Limited by Silvercreek Technology Holdings Limited (the “**Purchaser**”, a subsidiary of the Company) from Immense Wisdom Limited and King Achieve Limited (the “**Sellers**”)); (ii) the announcement of the Company dated 4 March 2016 (the “**Subscription Announcement**”) regarding the proposed subscription of 4,817,399,245 Subscription Shares and Convertible Bonds in the principal amount of HK\$712,582,483 by Ali Fortune Investment Holding Limited (the “**Subscriber**”); (iii) the announcement of the Company dated 16 March 2016 regarding the exercise of the options held by Rainwood Resources Limited (the “**Rainwood Announcement**”); and (iv) the announcement of the Company dated 23 March 2016 regarding the partial exercise of the Consultant Options by certain consultants of the Company (the “**Consultant Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings given to them in the Subscription Announcement, the Rainwood Announcement and the Consultant Announcement.

\* For identification purpose only

## ISSUE OF DEFERRED CONSIDERATION SHARES

Pursuant to the Score Value Transaction, in the event that the net profit after taxation of Shenzhen Zoom Read Tech Co., Ltd. (a subsidiary of Score Value Limited) for the financial year ended 31 December 2015 is not less than RMB20 million (equivalent to approximately HK\$25.2 million) (the “**2015 Profit Guarantee**”), the Purchaser or the Company shall pay to the Sellers a further amount of HK\$30 million as part payment of the deferred consideration for the Score Value Transaction, which shall be satisfied as to HK\$15 million in cash and as to HK\$15 million by the Company allotting and issuing 10,135,135 Shares to the Sellers.

The Board is pleased to announce that the 2015 Profit Guarantee was achieved, and the Company has thus issued 10,135,135 Shares (the “**2015 Profit Guarantee Shares**”) to the Sellers on 10 May 2016.

Following the issue of the 2015 Profit Guarantee Shares set out above, pursuant to the Score Value Transaction, (i) the Sellers may be granted options to subscribe for up to 166,666,666 Shares at a subscription price of HK\$1.8 per Share and such options are contingent upon certain performance targets; and (ii) the Sellers may be issued up to 125,000,000 Shares if certain performance targets are achieved.

As at the date of this announcement immediately prior to the issue of the 2015 Profit Guarantee Shares, there are 4,901,089,852 Shares in issue. Immediately following the issue of the 2015 Profit Guarantee Shares, the total number of Shares in issue will become 4,911,224,987.

## ADJUSTMENT TO CONVERSION PRICE OF CONVERTIBLE BONDS

As disclosed in the Subscription Announcement, on or before Completion, if and whenever the Company issues Shares or grants options to subscribe for any Shares under the Score Value Transaction, or issues Shares under the Rainwood Options or the Consultant Options, the Conversion Price of the Convertible Bonds shall be adjusted (as if the Convertible Bonds had been issued at that time).

As disclosed in the Rainwood Announcement, following the issue of the Rainwood Shares, the initial Conversion Price of the Convertible Bonds has been adjusted from HK\$0.3478 per Share to HK\$0.3036 per Share (the “**First Adjusted Initial Conversion Price**”).

As disclosed in the Consultant Announcement, following the issue of the Consultant Shares, the First Adjusted Initial Conversion Price will be further adjusted from HK\$0.3036 per Share to HK\$0.3032 per Share (the “**Second Adjusted Initial Conversion Price**”).

Following the issue of the 2015 Profit Guarantee Shares, the Second Adjusted Initial Conversion Price will be further adjusted from HK\$0.3032 per Share to HK\$0.3013 per Share (the “**Third Adjusted Initial Conversion Price**”), and the maximum number of Shares that will be issued upon full conversion of the Convertible Bonds at the Third Adjusted Initial Conversion Price is 2,364,665,518. There is no change in the principal amount of the Convertible Bonds.

## **IMPACT ON THE SUBSCRIBER’S SHAREHOLDING INTEREST IN THE COMPANY**

Prior to the issue of the 2015 Profit Guarantee Shares, immediately upon Completion:

- (1) assuming that the Convertible Bonds are not converted at all, the Subscriber (together with parties acting in concert with it (as defined in the Takeovers Code)) will hold 4,817,399,245 Shares, representing approximately 49.57% of the issued share capital of the Company as enlarged by the allotment and the issue of the Subscription Shares;
- (2) assuming that the Convertible Bonds are converted in full at the Second Adjusted Initial Conversion Price, the Subscriber (together with parties acting in concert with it (as defined in the Takeovers Code)) will hold 7,167,877,520 Shares, representing approximately 59.39% of the issued share capital of the Company as enlarged by the allotment and the issue of the Subscription Shares and the Conversion Shares.

As a result of the issue of the 2015 Profit Guarantee Shares, immediately upon Completion:

- (1) assuming that the Convertible Bonds are not converted at all, the Subscriber (together with parties acting in concert with it (as defined in the Takeovers Code)) will hold 4,817,399,245 Shares, representing approximately 49.52% of the issued share capital of the Company as enlarged by the allotment and the issue of the 2015 Profit Guarantee Shares and the Subscription Shares; and
- (2) assuming that the Convertible Bonds are converted in full at the Third Adjusted Initial Conversion Price, the Subscriber (together with parties acting in concert with it (as defined in the Takeovers Code)) will hold 7,182,064,763 Shares, representing approximately 59.39% of the issued share capital of the Company as enlarged by the issue of the 2015 Profit Guarantee Shares, the Subscription Shares and the Conversion Shares.

The Company understands from the Subscriber that it intends to convert such number of Convertible Bonds immediately upon Completion which will ensure that the Subscriber will hold Shares representing more than 50% of the issued share capital of the Company as from the date of Completion.

By order of the Board  
**AGTech Holdings Limited**  
**Sun Ho**  
*Chairman & CEO*

The Hong Kong Special Administrative Region  
of the People's Republic of China, 10 May 2016

*As at the date of this announcement, the Board comprises (i) Mr. Sun Ho, Mr. Bai Jinmin, Mr. Liang Yu and Mr. Cheng Guoming as executive Directors; (ii) Mr. Ho King Fung, Eric as non-executive Director; and (iii) Ms. Monica Maria Nunes, Mr. Feng Qing and Dr. Gao Jack Qun Yao as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*

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