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联想控股
LEGEND HOLDINGS
BUILDING GREAT COMPANIES

聯想控股股份有限公司
Legend Holdings Corporation

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03396)

Connected Transaction

Connected persons invest in the Fund managed by the Company

On September 30, 2020, CASLIF and CAS TSTA Fund of Funds (both associates of CAS Holdings, a substantial Shareholder of the Company, and as limited partners of the Fund) jointly entered into the Suzhou Xing Fan Venture Capital Partnership (Limited Partnership) Limited Partnership Agreement with Xing Huan Venture (as the general partner of the Fund) and certain other limited partners. Pursuant to the Partnership Agreement, a total amount of not exceeding RMB100 million will be invested by CASLIF in the Fund, and a total amount of not exceeding RMB20 million will be invested by CAS TSTA Fund of Funds in the Fund. These amounts include the regular payment of a management fee to the Manager designated by the general partner, as consideration for the services provided by the Manager.

LISTING RULES IMPLICATIONS

Under Chapter 14A of the Listing Rules, CAS Holdings is a substantial Shareholder of the Company and thus a connected person of the Company. It controls more than 30% interest in the general partner of CASLIF. CAS Holdings is a limited partner of CASLIF and has made the highest amount (more than 50% of the total subscription amount) of capital contributions to CASLIF. CAS Holdings also controls more than 30% interest in the general partner of CAS TSTA Fund of Funds. Therefore, both CASLIF and CAS TSTA Fund of Funds are deemed to be associates of CAS Holdings. Under Chapter 14A of the Listing Rules, the transaction contemplated under the Partnership Agreement constitutes a connected transaction of the Company. As the applicable percentage ratios exceed 0.1% but are less than 5%, it is subject to reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

On September 30, 2020, CASLIF and CAS TSTA Fund of Funds (both associates of CAS Holdings, a substantial Shareholder of the Company, and as limited partners of the Fund) jointly entered into the Suzhou Xing Fan Venture Capital Partnership (Limited Partnership) Limited Partnership Agreement with Xing Huan Venture (as the general partner of the Fund) and certain other limited partners. Pursuant to the Partnership Agreement, a total amount of not exceeding RMB100 million will be invested by CASLIF in the Fund, and a total amount of not exceeding RMB20 million will be invested by CAS TSTA Fund of Funds in the Fund. These amounts include the regular payment of a management fee to the Manager designated by the general partner, as consideration for the services provided by the Manager.

The principal terms of the Partnership Agreement are summarized as follows:

Date: September 30, 2020

Parties: CASLIF, as a limited partner of the Fund;
CAS TSTA Fund of Funds, as a limited partner of the Fund;
Dongfangqihui, as a limited partner of the Fund;
Certain other limited partners of the Fund; and
Xing Huan Venture, as the general partner of the Fund.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, apart from the abovementioned CASLIF, CAS TSTA Fund of Funds, Dongfangqihui and Xing Huan Venture, the other limited partners of the Fund and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Fund Suzhou Xing Fan Venture Capital Partnership (Limited Partnership)

Investment Scope and Investment Method The Fund focuses on investment opportunities in areas such as artificial intelligence, TMT, and healthcare. Investment methods include equity investment and other investments that comply with the laws and regulations.

Scale and Amount of Investment The total targeted subscription amount of the Fund is RMB800 million.

Investment in the Fund by Dongfangqihui will not exceed 25% of the total scale, and the subscription amount shall not exceed RMB200 million. Investment in the Fund by CASLIF will not exceed 12.5% of the total scale, and the subscription amount will be RMB100 million. Investment in the Fund by CAS TSTA Fund of Funds will not exceed 2.5% of the total scale, and the subscription amount will be RMB20 million.

Duration The duration of the Fund is eight years from the date of the first completion and may be extended after the satisfaction of certain conditions.

Manager	BLSFI, as the Manager designated by the general partner of the Fund, provides daily investment management and administrative services to the Fund.
Management fee	Within 3 years from the date of the first completion, the annual management fee will be charged at 2% of the total subscription amount contributed by the limited partners. After the end of the third year, the annual management fee will be charged at 2% of the investment cost of the project investment that has not been realized by the Fund (excluding the part of the project investment cost that has been wholly or partially written down permanently).
Distribution of Income	<p>Income of the Fund will be mainly distributed according to the following proportions:</p> <ul style="list-style-type: none"> (i) the income to be generated from project investment made by the Fund will be distributed among all partners according to their respective proportion of equity in the relevant project investment; (ii) the temporary investment income to be received by the Fund will be distributed among all partners according to their respective proportion (which is reasonably recognized by the general partner) of the capital in the Fund that generates such income; or such income will be distributed according to the proportion of the partners' paid-in capital contributions, if the general partner deems appropriate. <p>The distributable cash to be generated from project investment made by the Fund will be distributed among the relevant partners of the Fund according to the distribution proportion as stipulated in (i) above, and the part calculated according to the distribution proportion of each limited partner will be further distributed according to the following methods and order:</p> <ul style="list-style-type: none"> (1) return the paid-in capital contributions to limited partners; (2) distribute 80% to limited partners; (3) distribute the remaining 20% to the general partner.

INFORMATION OF THE PARTIES

INFORMATION OF THE COMPANY

Legend Holdings is a leading diversified investment holding group in China and has developed an innovative, two-wheel-driven synergy business model by “strategic investments + financial investments”. Its strategic investments business diversifies into five segments: IT, financial services, innovative consumption and services, agriculture and food, and advanced manufacturing and professional services. Its financial investments business primarily consists of angel investments, venture capital investments, private equity investments and other investments that cover all stages of a company’s life cycle. As at the date of this announcement, CAS Holdings, the single largest Shareholder of the Company, holds 29.04% interest in the Company.

INFORMATION OF THE FUND, GENERAL PARTNER AND MANAGER

Suzhou Xing Fan Venture Capital Partnership (Limited Partnership) is a limited partnership incorporated in the PRC, and is the fourth RMB fund managed by a manager under Legend Star. Its business scope is equity investment. The objective of the Fund, as stipulated in the Partnership Agreement, is to engage in investment business through acquiring, holding and disposing of investment portfolio companies and to gain long-term investment returns for its partners. The total targeted subscription amount of the Fund is RMB800 million.

Xing Huan Venture, a limited partnership incorporated in the PRC, is the general partner of the Fund. It primarily engages in capital venture management. BLSFI, the Manager designated by the general partner, is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It primarily engages in private equity fund management business.

INFORMATION OF CASLIF

CASLIF is a limited partnership incorporated in the PRC. CAS Holdings (a substantial Shareholder of the Company) is a limited partner of CASLIF and has made the highest amount (more than 50% of the total subscription amount) of capital contribution to CASLIF. CAS Capital Management is the general partner of CASLIF. CAS Holdings holds more than 30% interest in CAS Capital Management. CASLIF primarily engages in equity investment business.

INFORMATION OF CAS TSTA FUND OF FUNDS

CAS TSTA Fund of Funds is a limited partnership incorporated in the PRC. CAS Holdings (a substantial Shareholder of the Company) holds more than 30% interest in the general partner of CAS TSTA Fund of Funds. CAS TSTA Fund of Funds primarily engages in equity investment business.

REASONS FOR AND BENEFITS OF CONNECTED PERSONS INVESTING IN THE FUND MANAGED BY THE COMPANY

Founded in 2008, Legend Star is the business segment for early stage investment and incubator business of Legend Holdings. Through providing business starters with angel investment and in-depth incubator services, Legend Star is one of China's leading angel investment institutions. As of June 30, 2020, Legend Star managed a total of seven funds with asset under management exceeding RMB2.6 billion. Having invested in over 270 onshore or offshore investment projects, Legend Star focuses its investment in three major areas, namely artificial intelligence, TMT and healthcare, and actively engages in frontier fields such as intelligent machines, reformation of traditional industries through internet, biotechnology and medical equipment. Since 2014, Legend Star has been successively ranked in the top tier of the Annual Angel Investment/Early Stage Investment Institutions by professional institutions in the industry, namely the Zero2IPO Group and the ChinaVenture Group. Moreover, Legend Star manages and operates the "Venture CEO Special Training Programs" which offer professional and practical public training of entrepreneurship to numerous business starters. The "Entrepreneurship Alliance" continues to provide business starters with services and resources that facilitate the rapid growth of startups and to build the Legend Star entrepreneurship ecosphere. Legend Star, based on its extensive startup business experiences and resources accumulated over the years, clear and focused investment strategies, coupled with its competent teams with years of professional investment experiences, the funds managed by Legend Star in the past achieved outstanding performance with high exit yield and rich project resource reserves. All the aforesaid factors attract investors from different fields in the market. As investors with strong capital strength, CASLIF and CAS TSTA Fund of Funds are positioned to fulfil the need of the Fund to raise external capital.

The Board of the Company (including the independent non-executive Directors) are of the view that the investment of CASLIF and CAS TSTA Fund of Funds in the Fund managed by a subsidiary of the Company and their entering into a Partnership Agreement (including the management fee contemplated thereunder to be received by the Manager) are in the ordinary and usual course of business of the Company and on normal commercial terms. The Partnership Agreement (including the management fee contemplated thereunder to be received by the Manager) is determined by the parties through arm's length negotiations, is fair and reasonable and in the interests of the Company and Shareholders as a whole.

LISTING RULES IMPLICATIONS

Under Chapter 14A of the Listing Rules, CAS Holdings is a substantial Shareholder of the Company and thus a connected person of the Company. It controls more than 30% interest in the general partner of CASLIF. CAS Holdings is a limited partner of CASLIF and has made the highest amount (more than 50% of the total subscription amount) of capital contributions to CASLIF. CAS Holdings also controls more than 30% interest in the general partner of CAS TSTA Fund of Funds. Therefore, both CASLIF and CAS TSTA Fund of Funds are deemed to be associates of CAS Holdings. Under Chapter 14A of the Listing Rules, the transaction contemplated under the Partnership Agreement constitutes a connected transaction of the Company. As the applicable percentage ratios exceed 0.1% but are less than 5%, it is subject to reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Under Chapter 14A of the Listing Rules, the payment of a management fee to the Manager by CASLIF and CAS TSTA Fund of Funds contemplated under the Partnership Agreement constitutes a connected transaction of the Company. However, none of the applicable percentage ratios exceeds 0.1%.

Mr. SUO Jishuan, chairman of the board of directors of CAS Holdings, and Mr. WU Lebin, chairman of the board of directors of the general partner of CAS TSTA Fund of Funds, have abstained from voting on the board resolutions approving the aforementioned transactions. Save as disclosed above, no other Directors have any material interest in the aforementioned transactions or are required to abstain from voting on the relevant resolutions of the Board.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“associate”	shall have the same meanings ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“Company” or “Legend Holdings”	Legend Holdings Corporation, a joint-stock company incorporated with limited liability under the laws of the PRC, the H shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	shall have the same meanings ascribed thereto under the Listing Rules
“connected transaction”	shall have the same meanings ascribed thereto under the Listing Rules

“percentage ratio”	the percentage ratio as set out in Rule 14.07 of the Listing Rules to be used for determining the transaction classification under the Listing Rules
“Director(s)”	director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Fund”	Suzhou Xing Fan Venture Capital Partnership (Limited Partnership) (蘇州星梵創業投資合夥企業(有限合夥)), a limited partnership incorporated in the PRC
“BLSFI” or the “Manager”	Beijing Lenovo Star Future Investment Management Co., Ltd. (北京聯想之星未來投資管理有限公司), a company incorporated in the PRC with limited liability and the manager designated by the general partner of the Fund, and an indirect wholly-owned subsidiary of the Company
“Xing Huan Venture”	Qushui County Xing Huan Venture Capital Management Center (Limited Partnership) (曲水縣星環創業投資管理中心(有限合夥)), a limited partnership incorporated in the PRC and the general partner of the Fund. The general partner of Xing Huan Venture is an indirect wholly-owned subsidiary of the Company
“Dongfangqihui”	Tibet Dongfangqihui Investment Co., Ltd. (西藏東方企慧投資有限公司), an indirect wholly-owned subsidiary of the Company, and one of the limited partners of the Fund
“CASLIF”	Chinese Academy of Sciences Linked Innovation Equity Investment Fund (Shaoxing) Partnership (Limited Partnership) (中科院聯動創新股權投資基金(紹興)合夥企業(有限合夥)), a limited partnership incorporated in the PRC and an associate of CAS Holdings (a substantial Shareholder of the Company)
“CAS Holdings”	Chinese Academy of Sciences Holdings Co, Ltd. (中國科學院控股有限公司), a company incorporated in the PRC with limited liability and a substantial Shareholder of the Company, holding 29.04% of the issued shares of the Company

“CAS Capital Management”	Chinese Academy of Sciences Capital Management Co., Ltd. (中科院資本管理有限公司), a company incorporated in the PRC with limited liability and the general partner of CASLIF. More than 30% of its equity interest is held by CAS Holdings (a substantial Shareholder of the Company)
“CAS TSTA Fund of Funds”	The Chinese Academy of Sciences Venture Capital Fund (Wuhan) Partnership (Limited Partnership) for the Transformation of Scientific and Technological Achievements (中科院科技成果轉化創業投資基金(武漢)合夥企業(有限合夥)), a limited partnership incorporated in the PRC and an associate of CAS Holdings (a substantial Shareholder of the Company)
“Partnership Agreement”	The Suzhou Xing Fan Venture Capital Partnership (Limited Partnership) Limited Partnership Agreement (蘇州星梵創業投資合夥企業(有限合夥)有限合夥協議) entered into by Xing Huan Venture, CASLIF, CAS TSTA Fund of Funds, Dongfangqihui and certain other limited partners on September 30, 2020
“Legend Star”	a series of angel investment funds, together with their respective management companies/partners
“TMT”	technology, media and communication

By order of the Board
Legend Holdings Corporation
NING Min
Chairman

September 30, 2020

As at the date of this announcement, the Executive Directors of the Company are Mr. NING Min and Mr. LI Peng; the Non-executive Directors are Mr. ZHU Linan, Mr. ZHAO John Huan, Mr. WU Lebin, Mr. SUO Jishuan and WANG Yusuo; and the Independent Non-executive Directors are Mr. MA Weihua, Mr. ZHANG Xuebing, Ms. HAO Quan and Mr. YIN Jian'an.