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**LESSO 联塑**  
**CHINA LESSO GROUP HOLDINGS LIMITED**  
**中國聯塑集團控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2128)**

**SUBMISSION OF LISTING APPLICATION BY EDA CLOUD  
TECHNOLOGY HOLDINGS LIMITED TO THE  
STOCK EXCHANGE OF HONG KONG LIMITED**

On 26 June 2023, EDA submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, a permission to deal in, the EDA Shares on the main board of the Stock Exchange. It is intended that EDA will conduct an offering of its new shares in connection with the Listing. It is intended that Qualifying Shareholders will be provided with the Assured Entitlement to the EDA Shares under the Global Offering of the Proposed Spin-off, subject to certain conditions. Details of such Assured Entitlement have not yet been finalised and the Company will make further announcement(s) in this regard as and when appropriate. Upon completion of the Proposed Spin-off and the Listing, EDA will cease to be a subsidiary of the Company.

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. As each of the applicable ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off is under 5%, the Proposed Spin-off does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and the Proposed Spin-off will not be subject to the approval of the Shareholders.

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

**As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of EDA, market conditions and other considerations, the Proposed Spin-off may or may not occur. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Company proposes to spin-off and separately list the shares of EDA, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the EDA Shares on the main board of the Stock Exchange constitutes a spin-off of EDA by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off. On 26 June 2023, EDA submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the EDA Shares on the main board of the Stock Exchange.

## **THE PROPOSED SPIN-OFF**

The Proposed Spin-off involves the spin-off and separate listing of the EDA Shares on the main board of the Stock Exchange by way of a Global Offering by EDA. The details of the Global Offering have yet to be finalised. As at the date of this announcement, EDA is indirectly owned as to approximately 38.9% by the Company and controlled as to approximately 51.9% by the Company through certain acting-in-concert agreements with certain other shareholders of EDA. It is intended that upon completion of the Proposed Spin-off and the Listing, EDA will cease to be a subsidiary of the Company. The Board considers that the transaction contemplated under the Proposed Spin-off is immaterial to the Group's financial position and operations.

## **THE SPIN-OFF GROUP**

The Spin-off Group is principally engaged in the business of providing one-stop end-to-end supply chain solutions for e-commerce vendors and retailers, empowering the fast-growing cross-border e-commerce industry in the PRC.

## **REASONS AND BENEFITS OF THE PROPOSED SPIN-OFF**

The Board considers that the Proposed Spin-off is commercially beneficial and in the interest of the Company and its shareholders as a whole as the Proposed Spin-off is expected to create greater value for the following reasons:

- (a) the Proposed Spin-off will allow the Company an opportunity to realise the value of investment in the Spin-off Group through listing of a standalone platform for its business;
- (b) the Proposed Spin-off will enable the Spin-off Group to build its identity as a separate listed group, and have a separate fund-raising platform and to broaden its investor base through the Global Offering. The Spin-off Group may acquire or invest in other logistics services providers to further expand its business and brand awareness in the market. The Proposed Spin-off would allow the Spin-off Group to gain direct access to the capital market for equity and/or debt financing to fund its existing operations and future expansion without reliance on the Company, thereby improving its operating and financial management efficiencies;

- (c) the Proposed Spin-off will enable the Spin-off Group to enhance its corporate profile, thereby increasing its ability to attract strategic investors, which could provide synergy for the Spin-off Group, for investment in and forming strategic partnerships directly with the Spin-off Group;
- (d) the Proposed Spin-off will enable a more focused development, strategic planning and better allocation of resources for the Retained Group and the Spin-off Group with respect to their respective businesses. Both the Retained Group and the Spin-off Group will benefit from the efficient decision-making process under the separate management structure for seizing emerging business opportunities, especially with a dedicated management team for the Spin-off Group to focus on its development;
- (e) the Proposed Spin-off will strengthen the Spin-off Group's reputation, thus leading to potentially better operational performance and better realisation of its value. The Company will continue to be regarded as a Controlling Shareholder of the Spin-off Group upon the completion of the Proposed Spin-off and the Listing (since the Company will hold approximately 29.2% of the EDA Shares and will be regarded as controlling approximately 39.1% of the voting rights of the EDA Shares through certain acting-in-concert agreements with certain other shareholders of EDA) and to benefit from any enhanced value of it through the Proposed Spin-off; and
- (f) the Proposed Spin-off will improve the Spin-off Group's operational and financial transparency, which would enable investors to better appraise its operation results and financial conditions on a standalone basis, which in turn may enhance the overall value.

## **ASSURED ENTITLEMENT AND FURTHER ANNOUNCEMENT**

The Board will give due regard to the interests of the Shareholders by providing the Qualifying Shareholders with the Assured Entitlement to the EDA Shares under the Global Offering, subject to certain conditions, if the Board and the board of EDA decide to proceed with the Proposed Spin-off and the Global Offering, and the Listing Committee has approved the Listing. Details of such Assured Entitlement have not yet been finalised. The Company will make further announcement(s) in this regard as and when appropriate.

## **INFORMATION OF THE GROUP**

The Group is a large industrial group that manufactures piping and building materials in the PRC. The business portfolio of the Group spans plastic piping, building materials and home improvement, environmental protection, supply-chain service platform and new energy sector.

## **LISTING RULES IMPLICATIONS**

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. As each of the applicable ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off is under 5 %, the Proposed Spin-off does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and the Proposed Spin-off will not be subject to the approval of the Shareholders.

## GENERAL

A redacted form of the application proof of EDA's listing document (the "**Application Proof**") is expected to be available for reviewing and downloading on the Stock Exchange's website at <https://www1.hkexnews.hk/app/appindex.html>. The Application Proof contains, among other things, certain business and financial information relating to the Spin-off Group. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which may be material. Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate. As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of EDA, market conditions and other considerations, the Proposed Spin-off may or may not occur. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

<b>Term</b>	<b>Definition</b>
"Assured Entitlement"	the entitlement of the Qualifying Shareholders to apply for the EDA Shares on an assured basis under the Preferential Offering to be determined on the basis of their respective shareholdings in the Company at 4:30 p.m. on the Record Date;
"Board"	the board of the Company;
"Company"	China Lesso Group Holdings Limited;
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"EDA"	EDA Cloud Technology Holdings Limited (易達雲科技控股有限公司);
"EDA Shares"	ordinary shares of US\$0.01 each in the share capital of EDA;
"Global Offering"	the Hong Kong Public Offering and the International Offering (including the Preferential Offering);
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong Public Offering"	the offer of the EDA Shares for subscription by the public in Hong Kong;

“International Offering”	the offer of the EDA Shares by the group of international underwriters of EDA outside the United States in offshore transactions in accordance with Regulation S;
“Listing”	the listing of the EDA Shares on the main board of the Stock Exchange;
“Listing Committee”	the Listing Committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date and whose addresses as shown in such register are in any of the specified territories and any Shareholders or beneficial Shareholders at that time who are otherwise known by the Company to be resident in any of the specified territories;
“PN15”	Practice Note 15 to the Listing Rules;
“PRC”	the People’s Republic of China;
“Preferential Offering”	the preferential offering of the EDA Shares to Qualifying Shareholders as the Assured Entitlement in the Global Offering;
“Proposed Spin-off”	the proposed spin-off and separate listing of the EDA Shares on the main board of the Stock Exchange;
“Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date, other than Non-Qualifying Shareholders;
“Record Date”	the record date for ascertaining the Qualifying Shareholders who shall be entitled to the Assured Entitlements;
“Regulation S”	Regulation S under the U.S. Securities Act;
“Retained Group”	the Company and its subsidiaries, excluding the Spin-off Group;
“Shareholder(s)”	shareholders of the Company;
“Spin-off Group”	EDA and its subsidiaries;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“U.S. Securities Act”	United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“US\$” United States dollar, the lawful currency of the United States of America; and

“%” percentage.

By Order of the Board  
**China Lesso Group Holdings Limited**  
**Wong Luen Hei**  
*Chairman*

Hong Kong, 26 June 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Wong Luen Hei, Mr. Zuo Manlun, Ms. Zuo Xiaoping, Mr. Lai Zhiqiang, Mr. Kong Zhaocong, Mr. Chen Guonan, Dr. Lin Shaoquan, Mr. Huang Guirong and Mr. Luo Jianfeng; and the independent non-executive directors of the Company are Dr. Tao Zhigang, Mr. Cheng Dickson, Ms. Lu Jiandong, Dr. Hong Ruijiang and Ms. Lee Vanessa.*