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**联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**  
**Acquisition of 60% Equity Interest of**  
**the Target Company**

**ACQUISITION OF 60% EQUITY INTEREST OF THE TARGET COMPANY**

The Board is pleased to announce that Levima Group (a wholly-owned subsidiary of the Company) has succeeded in bidding for 60% equity interest of the Target Company held by CAS Advanced Materials through the public tender in CBEX. On August 3, 2023, Levima Group and CAS Advanced Materials entered into the Property Rights Transaction Contract, pursuant to which Levima Group agreed to acquire and CAS Advanced Materials agreed to sell 60% equity interest of the Target Company at a consideration of RMB31,739,700. Upon completion of the Acquisition, the Target Company will become an indirect subsidiary of the Company.

**LISTING RULES IMPLICATIONS**

According to Chapter 14A of the Listing Rules, CAS Holdings is a substantial Shareholder and connected person of the Company, and CAS Holdings holds 100% equity interest of CAS Advanced Materials. Hence, CAS Advanced Materials is regarded as an associate of CAS Holdings. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios of the Acquisition exceeds 0.1% but is less than 5%, the Acquisition is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the circular and independent Shareholders' approval requirements.

## **INTRODUCTION**

The Board is pleased to announce that Levima Group (a wholly-owned subsidiary of the Company) has succeeded in bidding for 60% equity interest of the Target Company held by CAS Advanced Materials through the public tender in CBEX. On August 3, 2023, Levima Group and CAS Advanced Materials entered into the Property Rights Transaction Contract, pursuant to which Levima Group agreed to acquire and CAS Advanced Materials agreed to sell 60% equity interest of the Target Company at a consideration of RMB31,739,700. Upon completion of the Acquisition, the Target Company will become an indirect subsidiary of the Company.

## **PROPERTY RIGHTS TRANSACTION CONTRACT**

The principal terms of the Property Rights Transaction Contract are set out below:

### **Date**

August 3, 2023

### **Parties**

- (1) CAS Advanced Materials (as Transferor); and
- (2) Levima Group (as Transferee)

### **Subject Asset**

The 60% equity interest of the Target Company held by CAS Advanced Materials

### **Consideration and Basis of Determination**

The consideration for the Acquisition amounted to RMB31,739,700, which is the final bidding price of 60% equity interest of the Target Company. Such amount is determined with reference to 60% of the evaluation value of RMB52,899,500 of all the shareholders' equity of the Target Company as at the Evaluation Base Date, being RMB31,739,700, as set out in the asset valuation report prepared by the Evaluation Institution using asset based approach.

### **Payment of Consideration**

Prior to the signing of the Property Rights Transaction Contract, the Transferee had made a guarantee payment of RMB3,200,000 to a designated account of the CBEX as a guarantee of its intention to accept such transfer and/or participation in the bidding, which will be deducted as part of the consideration upon signing the Property Rights Transaction Contract. The Transferee shall pay the balance of the above consideration (after deducting the guarantee payment above) to the designated settlement account of the CBEX in one lump sum within 5 working days after the Property Rights Transaction Contract becomes effective.

The consideration of the Acquisition will be funded by Levima Group's own working capital.

## Completion

The Transferor shall procure the Target Company to proceed with the equity interest change registration procedures within 10 working days after the issuance of the property rights transaction certificate by CBEX, during which the Transferee shall assist and cooperate with the Transferor as necessary. Both parties agreed to proceed with the completion of equity interest transfer in the office where the Target Company is located within 10 working days after CBEX transfers the transaction amounts to the account of the Transferor, and the Transferor shall hand over the assets, control and management rights of the Target Company to the Transferee.

## INFORMATION OF THE TARGET COMPANY

The Target Company is a limited liability company incorporated under the laws of the PRC and established on July 6, 2018. Its principal business is the transformation of key and core technological achievements in the field of advanced materials through the accumulation of research and development ("R&D") resources and innovation capabilities, with advanced chemical materials as its focus. It is owned as to 60% and 40% by CAS Advanced Materials and Tengzhou Julong Venture Capital Co., Ltd. (滕州聚龍創業投資有限公司) ("Tengzhou Julong"), respectively. The ultimate beneficial owner of Tengzhou Julong is State-owned Assets Supervision and Administration Commission of Tengzhou (滕州市國有資產監督管理局).

Upon the completion of the Acquisition, the Target Company will become an indirect subsidiary of the Company, and its financial results will be consolidated into the Group's consolidated financial statements.

The following table sets out the summary of the audited financial information of the Target Company prepared in accordance with China Accounting Standards for Business Enterprises for the two years ended December 31, 2021 and 2022:

	<b>For the year ended December 31, 2021 (Audited) <i>RMB ten thousand</i></b>	<b>For the year ended December 31, 2022 (Audited) <i>RMB ten thousand</i></b>
Net profit/(loss) before tax	(215.55)	(409.03)
Net profit/(loss) after tax	(215.55)	(409.03)

According to the China Accounting Standards for Business Enterprises, the carrying value of net assets in the Target Company's audited financial statements was RMB39,403,800 as at December 31, 2022.

The original investment amount of CAS Advanced Materials in the 60% equity interest of the Target Company is RMB30,000,000.

## **REASONS AND BENEFITS OF THE ACQUISITION**

Leveraging on its own accumulated R&D resources and innovation capabilities, the Target Company is committed to the transformation of key and core technological achievements in the field of advanced materials. Currently, several industrialization projects have been basically formed. If industrialization is successfully achieved, it will bring higher investment income to the Group. The Acquisition is able to introduce advanced technological achievements and professional talents from the field of advanced chemical materials to the Group, which will help expand the scale and profitability of the Group's advanced material business. In addition, Levima Group's advanced material sector already owns Levima Advanced Materials, a listed company. The Acquisition will promote synergy between both parties in terms of technology and industry resources, which is conducive to the long-term development of the Group's business.

The Directors (including the Independent Non-executive Directors) considered that the terms of the Property Rights Transaction Contract are entered into on normal commercial terms in the ordinary course of the Group, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION OF LEGEND HOLDINGS**

Legend Holdings is a leading industrial operations and investments company in the PRC and the Company focuses on technological innovation and the real economy, and has established two business segments of "industrial operations" and "industrial incubations and investments". Through strategic management, operational improvement, resource allocation, financial supports and value-added services, etc., the Company is committed to building industrial pillars, incubating or investing in start-up and growing-stage companies with great potential, so as to promote the continuous growth of the Company's overall value. As at the date of this announcement, CAS Holdings, the single largest Shareholder of the Company, holds approximately 29.04% equity interest of the Company.

## **INFORMATION OF LEVIMA GROUP**

Levima Group is a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in the businesses of investment, investment management, asset management and sales of chemical products etc.

## **INFORMATION OF CAS ADVANCED MATERIALS**

CAS Advanced Materials is a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of CAS Holdings. It is principally engaged in the businesses of project investment, investment management, technology development and transfer etc.

## LISTING RULES IMPLICATIONS

According to Chapter 14A of the Listing Rules, CAS Holdings is a substantial Shareholder and connected person of the Company, and CAS Holdings holds 100% equity interest of CAS Advanced Materials. Hence, CAS Advanced Materials is regarded as an associate of CAS Holdings. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios of the Acquisition exceeds 0.1% but is less than 5%, the Acquisition is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the circular and independent Shareholders' approval requirements.

Mr. NING Min is an Executive Director of the Company who also acts as a director of CAS Holdings. Mr. SUO Jishuan is a Non-executive Director who also acts as the chairman of the board of directors of CAS Holdings and CAS Advanced Materials. Mr. YANG Jianhua is a Non-executive Director who also acts as the vice chairman and general manager of CAS Holdings. As such, they have abstained from voting on the relevant resolutions of the Board approving the entering of Property Rights Transaction Contract. Other than Mr. NING Min, Mr. SUO Jishuan, and Mr. YANG Jianhua, none of the Directors of the Company have any material interest in the entering of Property Rights Transaction Contract and thus be required to abstain from voting on the relevant resolutions of the Board.

## DEFINITIONS

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

“Acquisition”	the acquisition of 60% equity interest of the Target Company held by CAS Advanced Materials by Levima Group
“Board”	the board of Directors of the Company
“CAS Advanced Materials” or “Transferor”	Chinese Academy of Sciences Advanced Materials Technology Co., Ltd. (國科新材料技術有限公司), a limited liability company incorporated under the laws of the PRC, and a wholly-owned subsidiary of CAS Holdings
“CAS Holdings”	Chinese Academy of Sciences Holdings Co., Ltd. (中國科學院控股有限公司), a company with limited liability established and legally existing in accordance with the laws of the PRC, being the single largest Shareholder of the Company holding 29.04% equity interest and a substantial Shareholder of the Company
“CBEX”	China Beijing Equity Exchange (北京產權交易所)

“Company” or “Legend Holdings”	Legend Holdings Corporation (聯想控股股份有限公司), a joint stock company incorporated with limited liability under the laws of the PRC, the overseas listed shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 03396)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Evaluation Base Date”	August 31, 2022
“Evaluation Institution”	Zhongshui Zhiyuan Assets Appraisal Co., Ltd.(中水致遠資產評估有限公司), a qualified independent professional valuer in the PRC
“Group”	the Company and its subsidiaries
“Levima Group” or “Transferee”	Levima Group Limited (聯泓集團有限公司), a limited liability company incorporated under the laws of the PRC, and a wholly-owned subsidiary of the Company
“Levima Advanced Materials”	Levima Advanced Materials Corporation (聯泓新材料科技股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 003022.SZ), and a subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property Rights Transaction Contract”	the Property Rights Transaction Contract signed by Levima Group and CAS Advanced Materials on August 3, 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company” CAS (Shandong) Advanced Materials Technology Limited (國科(山東)新材料技術有限公司), a limited liability company incorporated under the laws of the PRC, which is held as to 60% and 40% by CAS Advanced Materials and Tengzhou Julong Venture Capital Co., Ltd. (滕州聚龍創業投資有限公司) respectively

“%” per cent

By order of the Board  
**Legend Holdings Corporation**  
**NING Min**  
Chairman

August 3, 2023

*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. SUO Jishuan and Mr. YANG Jianhua; and the Independent Non-executive Directors are Mr. MA Weihua, Ms. HAO Quan and Mr. YIN Jian'an.*