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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: 3396)

Connected Transaction
Acquisition of a Right to Invest in BOC Aviation Limited

On May 27, 2016, Rosy Shine, a wholly-owned subsidiary of the Company (as an investor), entered into an investment letter with HCG and Colour Wish, a wholly-owned subsidiary of HCG, in relation to the extension of the Right by Colour Wish and HCG to Rosy Shine to participate in the Project at a cash consideration of an aggregate sum of US\$20 million. In return, all distributions declared and paid by Colour Wish with respect to the Project will be apportioned between Rosy Shine and HCG in proportion to their respective monetary contributions with regard to the Project subject to the terms and conditions set out therein.

Mr. ZHAO, an executive Director and executive vice president of the Company, is a connected person of the Company under Chapter 14A of the Listing Rules. Each of Colour Wish and HCG is deemed as an associate of Mr. ZHAO under the Listing Rules, and hence a connected person (as defined under Chapter 14A of the Listing Rules) of the Company. Under Chapter 14A of the Listing Rules, the entering into the Investment Letter with Colour Wish constitutes a connected transaction of the Company.

The terms and conditions of the Investment Letter and the transaction contemplated therein have been approved by the Board. The Directors (excluding Mr. ZHAO), including independent non-executive Directors, have confirmed that the participation in the Project falls within the Group's financial investment sector and is in the ordinary and usual course of business of the Group, the terms and conditions of the Investment Letter are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

In addition, all the relevant applicable percentage ratios in respect of the rights and obligations contemplated under the Investment Letter are less than 5%. The entering into the Investment Letter does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As Mr. Zhao is a connected person of the Company, the entering into the Investment Letter is subject to reporting and announcement requirements but is exempted from the Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

On May 27, 2016, Rosy Shine, a wholly-owned subsidiary of the Company (as an investor), entered into an investment letter with HCG and Colour Wish, a wholly-owned subsidiary of HCG, in relation to the extension of the right (the “Right”) by Colour Wish and HCG to Rosy Shine to participate in the Project at a cash consideration of an aggregate sum of US\$20 million. In return, all distributions declared and paid by Colour Wish with respect to the Project will be apportioned between Rosy Shine and HCG in proportion to their respective monetary contributions with regard to the Project subject to the terms and conditions set out therein.

The principal terms of the Investment Letter are as follows:

Date: May 27, 2016

Parties:

- (1) Rosy Shine, as the investor
- (2) Colour Wish, as a cornerstone investor of BOC Aviation
- (3) HCG, as the sole shareholder of Colour Wish

Subscription of the Right by Rosy Shine:

1. Colour Wish and HCG extend the Right to Rosy Shine to participate in the Project at a cash consideration of an aggregate sum of US\$20 million which is payable to Colour Wish on or before May 31, 2016. Such consideration was based on the subscription price under the Cornerstone Investment Agreement as agreed between relevant parties after arm’s length negotiations with reference to the prospect of BOC Aviation and the current market conditions;
2. Rosy Shine and Colour Wish shall bear relevant costs and expenses incurred or to be incurred in relation to the Project in proportion to their respective monetary contribution to the Project; and
3. the Right conferred under the Investment Letter is a contractual right enforceable only by Rosy Shine against HCG and Colour Wish in accordance with the terms and condition of the Investment Letter and shall not be construed as (i) conferring a right to receive shares of Colour Wish or BOC Aviation or any proprietary interest deriving from them; (ii) conferring a right or an interest to participate in or to interfere with the business or operating activities of Colour Wish Relevant Companies; or (iii) creation of any form of partnership between the parties to the Investment Letter.

Distributions and returns:

All dividends and other distributions declared and paid by Colour Wish with respect to the Project and all proceeds (net of applicable transaction fees, taxes and expenses) derived from any sale, assignment, transfer or other disposal of the Project, for computational purposes, shall be apportioned between Rosy Shine and HCG (as sole shareholder of Colour Wish) in proportion to their respective monetary contributions to Colour Wish for the purpose of the Project.

Restrictions on transfer:

Rosy Shine shall not assign, transfer, pledge or otherwise dispose of the Right or any part thereof without the prior written consent of HCG and Colour Wish.

REASONS FOR AND BENEFITS OF THE INVESTMENT LETTER

By leveraging the networks, expertise and capabilities of Hony Capital (as defined below) team, the Group is able to identify the Project which may bring promising cash returns from the secondary markets which is in the interests of the Group and its shareholders.

The Directors (excluding Mr. ZHAO), including independent non-executive Directors, are of the opinion that the participation in the Project falls within the Group's financial investments sector and is in the ordinary and usual course of business of the Group, the terms and conditions of the Investment Letter are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. ZHAO, an executive Director and executive vice president of the Company, is a connected person of the Company under Chapter 14A of the Listing Rules. Each of Colour Wish and HCG is deemed as an associate of Mr. ZHAO under the Listing Rules, and hence a connected person (as defined under Chapter 14A of the Listing Rules) of the Company. Under Chapter 14A of the Listing Rules, the entering into the Investment Letter with Colour Wish constitutes a connected transaction of the Company.

As Mr. ZHAO is a Director, he has abstained from voting on the resolution of the Board in respect of the entering into the Investment Letter. Save as disclosed above, no Directors has material interest in the Investment Letter, nor is required to abstain from voting on the relevant resolution of the Board.

In addition, all the relevant applicable percentage ratios in respect of the rights and obligations contemplated under the Investment Letter are less than 5%. The entering into the Investment Letter does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As Mr. Zhao is a connected person of the Company, the entering into the Investment Letter is subject to reporting and announcement requirements but is exempted from the Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION OF THE GROUP

The Group is a leading large investment group in China. The Company has built up an innovative business model of “strategic investments + financial investments” with synergy between our two-wheel-drive businesses. Through strategic investments, the Company invests in companies across six segments: IT, financial services, modern services, agriculture and food, property and chemicals and energy materials. The Company's financial investments business primarily consists of angel investments, venture capital and private equity across all stages of a company's life cycle.

INFORMATION OF ROSY SHINE

Rosy Shine is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in investment holding services.

INFORMATION OF COLOUR WISH AND HCG

Colour Wish is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of HCG. HCG is an exempted limited partnership established under the laws of the Cayman Islands as an investment vehicle and is managed by Hony Group Management Limited (as sole general partner), 80% equity interest of which is held by Hony Managing Partners Limited, which in turn is wholly owned by Exponential Fortune Group Limited. The series of private equity investment funds, together with their respective management companies/general partners (“Hony Capital”) was founded in the early 2000s to capture investment opportunities as a private equity platform. Through more than a decade, Hony Capital has become one of the most successful and reputable Chinese private equity firms, especially in the restructuring and reorganisation of China's state-owned enterprises.

The Group is a limited partner investor in, and holds a 20% equity interest in the general partner of, each of Hony Capital funds.

INFORMATION OF BOC AVIATION

BOC Aviation is a company incorporated in the Republic of Singapore with limited liability. It is a leading global aircraft operating leasing company principally engaged in the provision of lease financing to aircraft purchases and sales.

Based on the prospectus of BOC Aviation published on the website of the Stock Exchange on May 19, 2016, set out below are certain audited consolidated financial information of BOC Aviation for the years ended December 31, 2014 and 2015:

	For the year ended	
	December 31,	
	2014	2015
	<i>US\$'000</i>	<i>US\$'000</i>
Profit before tax	352,766	401,433
	<u><u>352,766</u></u>	<u><u>401,433</u></u>
Profit after tax	308,574	343,307
	<u><u>308,574</u></u>	<u><u>343,307</u></u>
As at December 31,		
	2014	2015
	<i>US\$'000</i>	<i>US\$'000</i>
Total assets	11,403,174	12,473,905
	<u><u>11,403,174</u></u>	<u><u>12,473,905</u></u>
Net assets	2,096,411	2,439,718
	<u><u>2,096,411</u></u>	<u><u>2,439,718</u></u>

DEFINITIONS

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

“associate” has the meaning ascribed thereto under the Listing Rules

“Board” the board of Directors

“BOC Aviation”	BOC Aviation Limited, a company incorporated in the Republic of Singapore with limited liability. The prospectus published on the website of the Stock Exchange on May 19, 2016
“Company”	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 (Stock Code: 3396)
“Colour Wish”	Colour Wish Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of HCG
“Colour Wish Relevant Companies”	Colour Wish, its subsidiaries or investment vehicles
“Cornerstone Investment Agreement”	a cornerstone investment agreement dated May 13, 2016 entered into between, among others, Colour Wish and BOC Aviation for the subscription of its H shares to be listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HCG”	Hony Capital Group, L.P., an exempted limited partnership established under the laws of the Cayman Islands
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment Letter”	an investment letter entered into among Rosy Shine, HCG and Colour Wish on May 27, 2016 in relation to the extension of the Right by Colour Wish and HCG to Rosy Shine to participate in the Project at a cash consideration of an aggregate sum of US\$20 million
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Mr. ZHAO”	Mr. ZHAO John Huan, an executive Director and executive vice president of the Company
“percentage ratios”	has the meaning ascribed thereto under Rule 14.07 of the Listing Rules
“PRC” or “China”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Project”	the investment in BOC Aviation at a consideration of US\$50 million pursuant to the Cornerstone Investment Agreement
“Rosy Shine”	Rosy Shine Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Legend Holdings Corporation
ZHU Linan
Executive Director and President

Hong Kong, May 27, 2016

As at the date of this announcement, the Executive Directors are Mr. LIU Chuanzhi, Mr. ZHU Linan and Mr. ZHAO John Huan; the Non-executive Directors are Mr. WU Lebin, Mr. WANG Jin and Mr. LU Zhiqiang; and the Independent Non-executive Directors are Mr. MA Weihua, Mr. ZHANG Xuebing and Ms. HAO Quan.