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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: 3396)



**SUNAC CHINA HOLDINGS LIMITED**

融創中國控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 01918)

## JOINT ANNOUNCEMENT

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL  
OF EQUITY INTERESTS  
AND DEBTS IN THE TARGET  
COMPANIES**

**MAJOR TRANSACTION  
IN RELATION TO THE  
ACQUISITION OF EQUITY  
INTERESTS AND DEBTS  
IN THE TARGET COMPANIES**

### THE TRANSACTIONS

On 16 September 2016, Legend Holdings and/or Raycom (a subsidiary of Legend Holdings) as the Sellers and Sunac Real Estate (a subsidiary of Sunac China) as the Purchaser entered into two Framework Agreements (namely Framework Agreement 1 and Framework Agreement 2), pursuant to which the Sellers conditionally agreed to sell, and the Purchaser conditionally agreed to purchase the relevant equity interests and debts of 41 Target Companies which mainly own interests in 42 Property Projects. The total Consideration of the transactions contemplated under the Framework Agreements (before any adjustments pursuant to the terms and conditions of the Framework Agreements) was approximately RMB13,788,430,000. The Transactions are summarized as follows:

#### **The Framework Agreement 1**

On 16 September 2016, Legend Holdings and/or Raycom (a subsidiary of Legend Holdings) as the Sellers and Sunac Real Estate (a subsidiary of Sunac China) as the Purchaser entered into the Framework Agreement 1, pursuant to which the Sellers conditionally agreed to sell, and the Purchaser conditionally agreed to purchase (by itself or through its wholly-owned subsidiary): (i) the Target Equity Interests of the 40 Target Companies; (ii) the Onshore Target Debts; and (iii) the Offshore Target Debts.

As such, subject to adjustments pursuant to the terms and conditions of the Framework Agreement 1, the total consideration of the Transaction 1 contemplated under the Framework Agreement 1 is approximately RMB13,650,820,000, comprising (i) the consideration for the Target Equity Interests of the 40 Target Companies of approximately RMB3,477,440,000; (ii) the consideration for the Onshore Target Debts of approximately RMB7,616,990,000 and accrued but unpaid interest of approximately RMB1,280,070,000 (plus other new outstanding shareholders' borrowings of the Target Companies and their subsidiaries owing to the Sellers, if any, and accrued unpaid interest as of the actual payment date); and (iii) the consideration for the Offshore Target Debts of HK\$220,000,000 and US\$160,000,000 and accrued but unpaid interests of approximately HK\$2,850,000 and approximately US\$2,070,000 (plus accrued but unpaid interest as of the actual payment date).

### **The Framework Agreement 2**

On 16 September 2016, Legend Holdings as the Seller and Sunac Real Estate (a subsidiary of Sunac China) as the Purchaser entered into the Framework Agreement 2, pursuant to which the Seller conditionally agreed to sell, and the Purchaser conditionally agreed to purchase (by itself or through its wholly-owned subsidiary): (i) 100% equity interest in EnsenCare at the consideration of RMB87,000,000; and (ii) the outstanding shareholders' borrowings of RMB50,000,000 owed by EnsenCare to the Seller and accrued but unpaid interest of RMB617,300. As such, the total consideration of the Transaction 2 contemplated under the Framework Agreement 2 shall be RMB137,617,300.

Upon Completion of the transactions, Sunac China will hold equity interests in 41 Target Companies in total. As at the date of this joint announcement, such Target Companies mainly own interests in 42 Property Projects which are located in 16 cities in China including Beijing, Tianjin, Chongqing, Hangzhou and etc. with an aggregate site area of approximately 6,937,180 sq.m., total gross floor area of approximately 18,022,199 sq.m. and unsold area of approximately 7,300,535 sq.m.

Upon Completion of the transactions, (i) each of Beijing Rongkan, Beijing Kanrong, Raycom Xindibiao and Diyi Taiping Raycom will cease to be the associates of Legend Holdings and each of the other Target Companies will cease to be the subsidiaries of Legend Holdings; and (ii) each of Beijing Rongkan, Beijing Kanrong, Raycom Xindibiao and Diyi Taiping Raycom will be the associates of Sunac China and each of the other Target Companies will become subsidiaries of Sunac China.

## **GENERAL**

As one of the relevant percentage ratios for Legend Holdings in respect of the Disposals is greater than 25% but less than 75%, entering into the Framework Agreements and the transactions contemplated thereunder constitute a major transaction for Legend Holdings under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the relevant percentage ratios for Sunac China in respect of the Acquisitions are greater than 25% but less than 100%, entering into the Framework Agreements and the transactions contemplated thereunder constitute a major transaction for Sunac China under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.44 of the Listing Rules, Legend Holdings may obtain shareholders' approval for the transactions contemplated under the Framework Agreements by way of written shareholders' approval in lieu of holding a general meeting of Legend Holdings. Legend Holdings will seek the prior written shareholders' approval from the Legend Holdings Relevant Shareholders, who are a closely allied group of shareholders of Legend Holdings representing in aggregate approximately 52% of the total number of issued shares of Legend Holdings as at the date of this joint announcement. In the event that written shareholders' approval from Legend Holdings Relevant Shareholders is unable to be obtained by Legend Holdings, the Legend Holdings EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Legend Holdings Shareholders to consider, and if thought fit, approve the Disposals.

The Sunac China EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Sunac China Shareholders to consider, and if thought fit, approve the Framework Agreements and the transactions contemplated thereunder.

The Legend Holdings Circular containing, among other things, further details about the Framework Agreements and the transactions contemplated thereunder, is expected to be despatched to the Legend Holdings Shareholders on or before 7 November 2016 so as to allow sufficient time for the preparation of relevant information, which includes, among other things, the property valuation report on the Property Projects as required under the Listing Rules, for inclusion in the Legend Holdings Circular.

The Sunac China Circular containing, among other things, further details about the Framework Agreements and the transactions contemplated thereunder, is expected to be despatched to the Sunac China Shareholders on or before 30 November 2016 so as to allow sufficient time for the preparation of the relevant information which includes, among other things, the property valuation report on the Property Projects as required under the Listing Rules, for inclusion in the Sunac China Circular.

**The transactions contemplated under the Framework Agreements may or may not proceed. Legend Holdings Shareholders and potential investors should exercise caution when dealing in Legend Holdings Shares and Sunac China Shareholders and potential investors should also exercise caution when dealing in Sunac China Shares.**

## **THE TRANSACTIONS**

On 16 September 2016, Legend Holdings and/or Raycom (a subsidiary of Legend Holdings) as the Sellers and Sunac Real Estate (a subsidiary of Sunac China) as the Purchaser entered into two Framework Agreements (namely Framework Agreement 1 and Framework Agreement 2), pursuant to which the Sellers conditionally agreed to sell and the Purchaser conditionally agreed to purchase (by itself or through its wholly-owned subsidiary) the relevant equity interests and debts of 41 Target Companies which mainly own interests in 42 Property Projects. The total Consideration of the transactions contemplated under the Framework Agreements (before any adjustments pursuant to the terms and conditions of the Framework Agreements) was approximately RMB13,788,430,000. The Transactions are summarized as follows:

### **THE FRAMEWORK AGREEMENT 1**

The principal terms of the Framework Agreement 1 are set out below:

#### **Date**

16 September 2016

#### **Parties**

- (1) Raycom, as one of the Sellers
- (2) Legend Holdings, as one of the Sellers
- (3) Sunac Real Estate, as the Purchaser

## **Assets and Consideration under Transaction 1**

Pursuant to the Framework Agreement 1, the Sellers conditionally agreed to sell, and the Purchaser conditionally agreed to purchase (by itself or through its wholly-owned subsidiary): (i) the Target Equity Interests of the 40 Target Companies; (ii) the Onshore Target Debts; and (iii) the Offshore Target Debts.

Subject to adjustments pursuant to the terms and conditions of the Framework Agreement 1, the total consideration of the Transaction 1 contemplated under the Framework Agreement 1 shall be approximately RMB13,650,820,000, comprising (i) the consideration for the Target Equity Interests of the 40 Target Companies of approximately RMB3,477,440,000; (ii) the consideration for the Onshore Target Debts of approximately RMB7,616,990,000 and accrued but unpaid interest of approximately RMB1,280,070,000 (plus other new outstanding shareholders' borrowings of the Target Companies and their subsidiaries owing to the Sellers, if any, and accrued but unpaid interest as of the actual payment date); and (iii) the consideration for the Offshore Target Debts of HK\$220,000,000 and US\$160,000,000 and accrued but unpaid interest of approximately HK\$2,850,000 and approximately US\$2,070,000 (plus accrued but unpaid interest as of the actual payment date).

Further details of the Target Companies are set forth under "Information of the Target Companies" in this joint announcement.

## **Payment of the Consideration**

The consideration for Transaction 1 shall be payable and settled by Sunac Real Estate in the following manner:

- (1) The Purchaser shall pay to the Sellers an amount of RMB1,000,000,000 within five working days after entering into the Framework Agreement 1.
- (2) Subject to the consent of the relevant creditors, the Purchaser shall assume the Raycom Financial Debts. The amount assumed shall be deemed as payment of the equivalent amount of the Consideration for Transaction 1 by the Purchaser. The remaining Raycom Financial Debts that cannot be assumed by the Purchaser shall first be repaid by Raycom and the Target Companies and their respective subsidiaries with their available cash resources. In case such cash resources are insufficient, the Purchaser shall repay any shortfall amount. The Raycom Financial Debts repaid by the Target Companies and their respective subsidiaries with cash and the shortfall amount repaid by the Purchaser shall be deemed as payment of the equivalent amount of the consideration for Transaction 1 by the Purchaser. If the relevant creditors do not agree to the above arrangement, Raycom shall continue to fulfill the repayment obligations.

- (3) After the completion of the Transfer of Management Rights, if the Raycom Financial Debts have been settled according to the agreement under the Framework Agreement 1, the Target Companies and their respective subsidiaries shall repay Legend Holdings and its related parties an amount of RMB4,555,000,000. If the Target Companies' cash is insufficient for such payment, the shortfall shall be paid by the Purchaser. The amount of RMB4,555,000,000 paid by the Target Companies (and their respective subsidiaries) and the Purchaser shall be deemed as payment of the equivalent amount of the consideration for Transaction 1 by the Purchaser. If the Raycom Financial Debts have not been settled before the Transfer of Management Rights, the payment time shall be postponed accordingly.
- (4) Within two months after the Transfer of Management Rights, the Purchaser shall settle 50% of the remaining consideration the Transaction 1.
- (5) Within four months after the Transfer of Management Rights and upon completion of the final adjustment to the Consideration in accordance with the adjustment mechanism for the Consideration, the Purchaser shall pay the remaining balance of the consideration for Transaction 1.
- (6) If corresponding changes in business registration for the Target Companies have not been completed within four months after the Transfer of Management Rights, consideration payable for the corresponding Target Companies shall be deducted from the aforesaid payment amounts unless both the Sellers and the Purchaser agree otherwise.

The consideration for Transaction 1 was determined after arm's length negotiations between Legend Holdings and Sunac China with reference to the net asset values attributable to equity interests in the 40 Target Companies having taken into account any dividend arrangements and amount of shareholders' borrowings owed to Sellers by each of the 40 Target Companies.

The Consideration for Transaction 1 will be financed by Sunac Group's internal resources.

### **Adjustment mechanism for the Consideration**

The Consideration for Transaction 1 is subject to, among other things, the following adjustments:

- (1) If the Purchaser discovers during the process of due diligence that the actual amount of principal and interests of the shareholders' loans and the consolidated

net asset values attributable to the parent company of Raycom as at the Reference Date are different from those as disclosed by the Sellers upon entering into the Framework Agreement 1, the Sellers and the Purchaser shall adjust the total consideration of the Transaction 1 accordingly;

- (2) If the Purchaser discovers during the process of due diligence that there are events which are not disclosed or correctly disclosed and may have material adverse effect on the operations of the Target Companies, the Sellers and the Purchaser shall determine the consideration of the relevant Target Companies after arm's length negotiations.

In case of any adjustments to the Consideration, Legend Holdings and/or Sunac China will issue a further announcement as and when necessary according to the requirements of the Listing Rules.

### **Conditions Precedent**

The transactions contemplated under the Framework Agreement 1 are conditional upon the following conditions precedent being fulfilled:

- (1) the approval by the shareholders of Raycom for the Framework Agreement 1 and the transactions contemplated thereunder having been obtained;
- (2) the approval from the Legend Holdings Shareholders for the Framework Agreement 1 and the transactions contemplated thereunder pursuant to the applicable requirements under the Listing Rules having been obtained; and
- (3) the approval from the Sunac China Shareholders for the Framework Agreement 1 and the transactions contemplated thereunder pursuant to the applicable requirements under the Listing Rules having been obtained.

### **Due diligence by Sunac Real Estate**

Upon the entering into the Framework Agreement 1, Sunac Real Estate shall be entitled to continue its due diligence investigation on the financial condition, legal title to land and properties, qualifications and licenses and other aspects of the Target Companies, their subsidiaries and the underlying Property Projects.

### **Arrangements during the Transitional Period**

During the Transitional Period, the parties to the Framework Agreement 1 shall establish a transitional committee. The committee should consist of six members,

three of whom shall be appointed by the Sellers and three of whom shall be appointed by the Purchaser. The enforcement of any material matter agreed pursuant to the Framework Agreement 1 is subject to the unanimous consent by the transitional committee.

In addition, the assets, liabilities, income and interests of the Target Companies and their subsidiaries to which the Sellers are entitled since the Reference Date shall be retained by or continue to be attributable to the Target Companies and their subsidiaries (but the dividends agreed by both parties are not subject to this restriction) and shall ultimately be enjoyed and assumed by the Purchaser.

### **Completion of Transaction 1 and subsequent obligations**

The Sellers shall coordinate with the Purchaser to complete the Transfer of Management Rights of the 40 Target Companies pursuant to Framework Agreement 1 within three working days after the fulfilment of the aforesaid conditions precedent.

The Sellers shall coordinate with the Purchaser to complete the change of business registration of the 40 Target Companies pursuant to Framework Agreement 1 within two months after the fulfilment of the aforesaid conditions precedent.

Raycom shall effect the transfer of the 12 PRC trademarks specified in the Framework Agreement 1 to Sunac Real Estate at nil consideration within six months after fulfilment of the aforesaid conditions precedent. The Sellers will be granted the permanent authorization by the Purchaser to use certain trademarks at nil consideration for the purpose of the denomination of the properties retained by the Sellers.

### **Guarantee and counter-guarantee**

Pursuant to the Framework Agreement 1, Sunac Real Estate shall assume the liabilities of Raycom under the Raycom Financial Debts subject to the consent of the relevant creditors.

In the event that the creditors consent to the assumption of repayment obligations for all or part of the Raycom Financial Debts by Sunac Real Estate in replacement of Raycom, Legend Holdings shall continue to provide guarantee under such Raycom Financial Debts in accordance with Framework Agreement 1, and Sunac Real Estate shall provide counter-guarantee to Legend Holdings.

In the event that the creditors object to the assumption of repayment obligations for any part of the Raycom Financial Debts by Sunac Real Estate in replacement of Raycom, Sunac Real Estate will re-finance by issuance of corporate bonds,



borrowings from financial institutions or other financing means. Legend Holdings shall provide guarantee in respect of such financings in accordance with Framework Agreement 1 and Sunac Real Estate shall provide counter-guarantee to Legend Holdings.

Within 12 months after completion of the transfer of the Target Equity Interests, the guarantee provided by the Sellers for the borrowings of the Target Companies and their subsidiaries shall be discharged.

The guarantee provided by Legend Holdings is only a transitional arrangement since 1) the guarantee in respect of the aforesaid financings is beneficial to the smooth transition of Raycom's existing business to Sunac Real Estate's system and the long-term development under the existing plan, and 2) the purpose of assisting the investors of Raycom Financial Debts to accept the replacement of the debtor from Raycom to Sunac Real Estate and Sunac Real Estate replace Raycom to assume all or part of the repayment obligations of the Raycom Financial Debts. Legend Holdings has assessed the creditworthiness and financial conditions of Sunac Real Estate, and the counter-guarantee provided by Sunac Real Estate to Legend Holdings will give corresponding protection to the above guarantee provided by Legend Holdings.

## **THE FRAMEWORK AGREEMENT 2**

The principal terms of the Framework Agreement 2 are set out below:

### **Date**

16 September 2016

### **Parties**

- (1) Legend Holdings, as the Seller
- (2) Sunac Real Estate, as the Purchaser

### **Assets and the Consideration under Transaction 2**

Pursuant to the Framework Agreement 2, the Seller conditionally agreed to sell and the Purchaser conditionally agreed to purchase (by itself or through its wholly-owned subsidiary): (i) 100% equity interest in EnsenCare at the consideration of RMB87,000,000; and (ii) the outstanding shareholders' borrowings of RMB50,000,000 owed by EnsenCare to the Seller and accrued but unpaid interest of RMB617,300. As such, the total consideration for the Transaction 2 contemplated under the Framework Agreement 2 shall be RMB137,617,300, subject to adjustments pursuant to the terms and conditions of the Framework Agreement 2.

The consideration for Transaction 2 was determined after arm's length negotiations between Legend Holdings and Sunac China with reference to net assets value attributable to entire equity interests in EnsenCare and amount of shareholders' borrowings owed to Seller by EnsenCare.

In case of any adjustments to the consideration for Transaction 2, Legend Holdings and/or Sunac China will issue a further announcement as and when necessary according to the requirements of the Listing Rules.

Further details of EnsenCare are set forth under "Information of the Target Companies" in this joint announcement.

### **Payment of the Consideration**

Pursuant to the Framework Agreement 2, the Purchaser shall pay the full amount of the consideration for Transaction 2 into the designated account of the Seller within 5 working days after fulfilment of all conditions below:

- (1) fulfilment of all conditions precedent under the Framework Agreement 2;
- (2) completion of the payment of amounts as agreed in the Framework Agreement 1; and
- (3) completion of the transfer of the Target Equity Interest under the Framework Agreement 2.

The consideration for Transaction 2 shall be financed by internal resources of the Sunac Group.

### **Other material terms**

- (1) The Framework Agreement 1 is the pre-requisite of the Framework Agreement 2. If the Framework Agreement 1 and the Transaction 1 contemplated thereunder cannot proceed, the Purchaser shall be entitled to terminate the Framework Agreement 2 and the Transaction 2 contemplated thereunder;
- (2) After the Purchaser has completed due diligence investigations on EnsenCare, the consideration for Transaction 2 may be adjusted according to the due diligence results;
- (3) The transitional arrangement contemplated under the Framework Agreement 2 shall be the same as the transitional arrangement contemplated under the Framework Agreement 1;

(4) The condition precedent of the Framework Agreement 2 is conditional to the fulfilment of the conditions precedent of the Framework Agreement 1.

### **Completion of Transaction 2**

After fulfilment of all conditions precedent of Framework Agreement 2, the Seller and the Puchaser shall work together to complete the transfer of de facto control and operation management right of EnsenCare and its subsidiaries.

## **REASONS AND BENEFITS OF THE TRANSACTIONS BY LEGEND HOLDINGS AND SUNAC CHINA**

### **Legend Holdings**

The Legend Holdings Directors conduct regular review on the strategic investment business and the operating performance thereof and continuously optimize the asset deployment of its strategic investment business. The Legend Holdings Directors are of the view that, through the Disposals, Legend Holdings may realize its investments in real estate development business as a whole, strengthen the overall liquidity and financial position for the Legend Holdings Group, to enable Legend Holdings to focus on the investment and development in the sectors such as domestic and overseas financial services, healthcare services, agriculture and foods and innovative consumer services and capitalize on the opportunity to enhance its overall return and create more value for Legend Holdings Shareholders.

The Legend Holdings Directors, including the independent non-executive Legend Holdings Directors, are of the view that the terms of the Framework Agreements, the Disposals and the transactions contemplated thereunder are conducted on normal commercial terms which are fair and reasonable and in the interests of Legend Holdings and Legend Holdings Shareholders as a whole.

Upon completion of the Disposals, Legend Holdings will continue to hold the interest in the Raycom InfoTech Park Zone through its subsidiary, which is located in Beijing with a total leasable gross floor area of approximately 180,000 sq.m.; and will continue to hold 60% equity interest in Wuhan Zhigu Investment Co., Ltd. (武漢智谷投資有限公司). Through the Disposals, the strategic investments of Legend Holdings will focus on dedicated industries and exit from the real estate development business.

### **Sunac China**

Sunac China has always insisted on the regional focus development strategy and has laid out its strategic plan in the core first and second tier cities in the PRC. The

Property Projects of the Transactions are located in the core first and second tier cities in the PRC which Sunac Group has been focusing on, and the Transactions help further consolidate Sunac Group's regional strategy and increase Sunac Group's land reserves and market shares in the relevant core first and second tier cities.

Accordingly, the Sunac China Directors, including the independent non-executive Sunac China Directors, consider that the terms of the Framework Agreements (and the transactions contemplated thereunder) have been made on normal commercial terms and are fair and reasonable and that entering into the Framework Agreements and the transactions contemplated thereunder are in the interest of Sunac China and the Sunac China Shareholders as a whole.

### **USE OF PROCEEDS BY LEGEND HOLDINGS**

The proceeds from the Disposals are expected to be approximately RMB13,788,430,000. In addition, it is expected that an amount of approximately RMB5.8 billion will remain in the account of Raycom after the Disposals. Upon the repayment of all outstanding external debts of real estate development business of approximately RMB7.5 billion, the net proceeds from the Disposals shall be used to enrich the working capital of Legend Holdings and its subsidiaries or to invest in the industry sectors on which the strategic investments of Legend Holdings will focus.

### **FINANCIAL EFFECT OF THE DISPOSALS ON LEGEND HOLDINGS**

The total consideration of relevant equity interests of the Target Companies is determined with reference to, among other factors, the net asset values of the Target Companies as at 30 June 2016. It is expected that, since the Reference Date and until the Completion Date of the Disposals, the Target Companies to be disposed of shall also generate profits from discontinued businesses attributable to Legend Holdings Shareholders of approximately RMB150 million to RMB300 million. As such, the Disposals are expected to incur losses attributable to Legend Holdings Shareholders of approximately RMB150 million to RMB300 million for the Legend Holdings Group's discontinued business as separately stated in the financial statements, the specific amount of which is subject to the actual figure upon completion of the Disposals. There shall be no expected effect of the transaction on the profit and loss of other continuing businesses of Legend Holdings Group.

The above estimation is for illustration purposes only. The actual profit and loss recorded by Legend Holdings from the Disposals shall be audited and hence may vary from the estimated profit and loss since it shall be subject to, among others, the actual net asset values of the Target Companies as at Completion Date of the Disposals.

The Legend Holdings Directors consider the Disposals will have no material adverse effect on the Legend Holdings Group’s overall financial conditions and business operation.

## INFORMATION OF LEGEND HOLDINGS

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

## INFORMATION OF RAYCOM

Raycom Real Estate Development Co., Ltd. (融科智地房地產股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC and a subsidiary of Legend Holdings, holds equity interests in Onshore Target Companies and Starwish International.

## INFORMATION OF THE TARGET COMPANIES

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(1)	北京瞰融房地產開發有限公司 (Beijing Kanrong Real Estate Development Company Limited*) (“Beijing Kanrong”)	PRC	Real estate development and property management business	20% equity interest	80% owned by an Independent Third Party of Sunac China
(2)	北京融智創投投資管理有限公司 (Beijing Rongzhi Chuangtou Investment Management Company Limited*) (“Beijing Rongzhi Chuangtou”)	PRC	Investment management and asset management business	100% equity interest	—

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(3)	北京融瞰房地產開發有限公司 (Beijing Rongkan Real Estate Development Company Limited*) ("Beijing Rongkan")	PRC	Real estate development and property management business	20% equity interest	80% owned by an Independent Third Party of Sunac China
(4)	雲南融科科技產業投資有限公司 (Yunnan Raycom Technology Industrial Investment Company Limited*) ("Yunnan Raycom Technology")	PRC	Real estate development and operation, property management and property leasing business etc.	51% equity interest	49% owned by an Independent Third Party of Sunac China
(5)	大慶融科信息產業投資有限公司 (Daqing Raycom Information Industrial Investment Company Limited*) ("Daqing Raycom Information")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(6)	融科智地(大慶)雲計算有限公司 (Raycom (Daqing) Cloud Computing Company Limited*) ("Raycom Daqing Cloud")	PRC	Real estate development and construction of intelligent engineering business etc.	100% equity interest	—
(7)	大慶融科基業投資有限公司 (Daqing Raycom Jiye Investment Company Limited*) ("Daqing Raycom Jiye")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(8)	大慶融科創業投資有限公司 (Daqing Raycom Chuangye Investment Company Limited*) ("Daqing Raycom Chuangye")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(9)	大慶融科啟航投資有限公司 (Daqing Raycom Qihang Investment Company Limited*) ("Daqing Raycom Qihang")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(10)	大慶融科盛拓房地產開發有限公司 (Daqing Raycom Shengtuo Real Estate Development Company Limited*) ("Daqing Raycom Shengtuo")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(11)	大慶融科盛世房地產開發有限公司 (Daqing Raycom Shengshi Real Estate Development Company Limited*) ("Daqing Raycom Shengshi")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(12)	大慶融科勁翔房地產開發有限公司 (Daqing Raycom Jingxiang Real Estate Development Company Limited*) ("Daqing Raycom Jingxiang")	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(13)	大慶融科天成房地產開發有限公司 (Daqing Raycom Tiancheng Real Estate Development Company Limited*) (“ <b>Daqing Raycom Tiancheng</b> ”)	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(14)	雲南融科房地產開發有限公司 (Yunnan Raycom Real Estate Development Company Limited*) (“ <b>Yunnan Raycom Real Estate</b> ”)	PRC	Real estate development and sales, property management business etc.	51% equity interest	49% owned by an Independent Third Party of Sunac China
(15)	北京融智瑞豐投資有限公司 (Beijing Rongzhi Ruifeng Investment Company Limited*) (“ <b>Beijing Rongzhi Ruifeng</b> ”)	PRC	Investment management and asset management business etc.	70% equity interest	30% owned by an Independent Third Party of Sunac China
(16)	北京融智國風投資有限公司 (Beijing Rongzhi Guofeng Investment Company Limited*) (“ <b>Beijing Rongzhi Guofeng</b> ”)	PRC	Project investment and asset management business etc.	100% equity interest	—
(17)	融科智地(大慶)投資有限公司 (Raycom (Daqing) Investment Company Limited*) (“ <b>Raycom Investment</b> ”)	PRC	Real estate development, real estate agency and property management business etc.	100% equity interest	—
(18)	煙台融科智地房地產開發有限公司 (Yantai Raycom Real Estate Development Company Limited*) (“ <b>Yantai Raycom</b> ”)	PRC	Real estate development and operation business etc.	65% equity interest	35% owned by an Independent Third Party of Sunac China



S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(19)	浙江融科智地房地產開發有限公司 (Zhejiang Raycom Real Estate Development Company Limited*) (“ <b>Zhejiang Raycom</b> ”)	PRC	Real estate development and operation business	100% equity interest	—
(20)	大連未來城發展有限公司 (Dalian Weilaicheng Development Company Limited*) (“ <b>Dalian Weilaicheng</b> ”)	PRC	Real estate development and sales, property management business etc.	50% equity interest	50% owned by an Independent Third Party of Sunac China
(21)	融科智地(天津)房地產投資有限公司 (Raycom (Tianjin) Real Estate Investment Company Limited*) (“ <b>Raycom Tianjin</b> ”)	PRC	Real estate investment and property management business etc.	100% equity interest	—
(22)	安徽融科智地房地產開發有限公司 (Anhui Raycom Real Estate Development Company Limited*) (“ <b>Anhui Raycom</b> ”)	PRC	Real estate development and sales, parking lot sales and leasing business etc.	100% equity interest	—
(23)	武漢融科房地產開發有限公司 (Wuhan Raycom Real Estate Development Company Limited*) (“ <b>Wuhan Raycom</b> ”)	PRC	Real estate investment, real estate development and operation business etc.	100% equity interest	—
(24)	北京融科陽光房地產開發有限公司 (Beijing Raycom Yangguang Real Estate Development Company Limited*) (“ <b>Beijing Raycom Yangguang</b> ”)	PRC	Real estate development and sales, property management business etc.	80% equity interest	20% owned by an Independent Third Party of Sunac China

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(25)	江蘇融科智地房地產開發有限公司 (Jiangsu Raycom Real Estate Development Company Limited*) (“ <b>Jiangsu Raycom</b> ”)	PRC	Real estate development and sales business etc.	95% equity interest	5% owned by an Independent Third Party of Sunac China
(26)	融科新地標(北京)諮詢服務有限公司 (Raycom Xindibiao (Beijing) Consulting Services Company Development Company Limited*) (“ <b>Raycom Xindibiao</b> ”)	PRC	Real estate information consultation and property management business etc.	30% equity interest	70% owned by an Independent Third Party of Sunac China
(27)	北京融科景元房地產開發有限公司 (Beijing Raycom Jingyuan Real Estate Development Company Limited*) (“ <b>Beijing Raycom Jingyuan</b> ”)	PRC	Real estate development, operation and sales, property management business etc.	66.93% equity interest	33.07% owned an Independent Third Party of Sunac China
(28)	天津團泊湖假日建設有限公司 (Tianjin Tuanpohu Jiari Construction Company Limited*) (“ <b>Tianjin Tuanpohu</b> ”)	PRC	Real estate development and sales, property management business etc.	65% equity interest	30% owned by Raycom Tianjin and 5% owned by Independent Third Parties of Sunac China
(29)	無錫融科智地房地產開發有限公司 (Wuxi Raycom Real Estate Development Company Limited*) (“ <b>Wuxi Raycom</b> ”)	PRC	Real estate development and sales	100% equity interest	—
(30)	景德鎮融科智地房地產開發有限公司 (Jingdezhen Raycom Real Estate Development Company Limited*) (“ <b>Jingdezhen Raycom</b> ”)	PRC	Real estate development and operation business	100% equity interest	—

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(31)	宜興融科智地房地產開發有限公司 (Yixing Raycom Real Estate Development Company Limited*) ("Yixing Raycom")	PRC	Real estate development and operation business	60% equity interest	40% owned by an Independent Third Party of Sunac China
(32)	北京融科卓越房地產開發有限公司 (Beijing Raycom Zhuoyue Real Estate Development Company Limited*) ("Beijing Raycom Zhuoyue")	PRC	Real estate development and sales, property management business etc.	100% equity interest	—
(33)	合肥融科智地房地產開發有限公司 (Hefei Raycom Real Estate Development Company Limited*) ("Hefei Raycom")	PRC	Real estate development and sales, property management business etc.	100% equity interest	—
(34)	武漢東谷房地產開發有限公司 (Wuhan Donggu Real Estate Development Company Limited*) ("Wuhan Donggu")	PRC	Real estate development and sales business etc.	100% equity interest	—
(35)	深圳市融科智地投資有限公司 (Shenzhen Raycom Investment Company Limited*) ("Shenzhen Raycom")	PRC	Real estate development and operation, and infrastructure construction business etc.	100% equity interest	—

S/N	Name of the Target Company	Place of establishment/ incorporation	Principal business	Equity interests of Target Companies (i.e. equity interests to be transferred from the Sellers to the Purchaser)	Remaining equity interest
(36)	長沙融科智地房地產開發有限公司 (Changsha Raycom Real Estate Development Company Limited*) ("Changsha Raycom")	PRC	Real estate development and operation	65% equity interest	10% owned by Beijing Wangdu and 25% owned by an Independent Third Party of Sunac China
(37)	第一太平融科物業管理(北京)有限公司 (Diyi Taiping Raycom Property Management (Beijing) Company Limited*) ("Diyi Taiping Raycom")	PRC	Property management business etc.	30% equity interest	70% owned by two Independent Third Parties of Sunac China
(38)	北京東環望京房地產有限公司 (Beijing Donghuan Wangjing Real Estate Company Limited*) ("Beijing Donghuan")	PRC	Real estate development, construction, operation and management business etc.	10% equity interest	65% owned by Beijing Wangdu and 25% indirectly owned by Starwish International
(39)	北京旺都置業有限公司 (Beijing Wangdu Land Company Limited*) ("Beijing Wangdu")	PRC	Real estate development and sales, property management business etc.	100% equity interest	—
(40)	Starwish International (Note 2)	British Virgin Islands	Investment holding	100% equity interest	—
(41)	EnsenCare	PRC	Real estate project investment, asset management business, etc.	100% equity interest	—

*Notes:*

1. For details of the Property Projects held by the Target Companies and their subsidiaries, please refer to the section headed “Information of the Property Projects” of this joint announcement.
2. Starwish International is established for the purpose of holding direct or indirect equity interests in nine offshore subsidiaries incorporated in Hong Kong and the British Virgin Islands. Pursuant to the Framework Agreement 1, the entire equity interest in Starwish International is expected to be transferred to Raycom Onshore Wholly-owned Subsidiary. Following such equity transfer, Raycom Onshore Wholly-owned Subsidiary shall replace Starwish International as one of the Target Companies.
3. The Target Equity Interests transferred by the Sellers to the Purchaser are subject to the waiver of pre-emptive rights over the relevant equity interests by other shareholders of the relevant Target Companies.

## FINANCIAL INFORMATION OF THE TARGET COMPANIES

S/N	Target Companies	Unaudited For the year ended 31 December 2014		Unaudited For the year ended 31 December 2015		Unaudited As at 30 June 2016
		Net profit before taxation (RMB0'000)	Net profit after taxation (RMB0'000)	Net profit before taxation (RMB0'000)	Net profit after taxation (RMB0'000)	Net Asset value (RMB0'000)
(1)	Beijing Kanrong	—	—	-1	-1	999
(2)	Beijing Rongzhi Chuangtuo	—	—	0	0	7
(3)	Beijing Rongkan	—	—	—	—	—
(4)	Yunnan Raycom Technology	-706	-539	-2,050	-1,546	12,361
(5)	Daqing Raycom Information	-3,165	-3,165	-2,824	-2,824	-5,014
(6)	Raycom Daqing Cloud	-1,552	-1,487	-2,319	-2,394	-2,349
(7)	Daqing Raycom Jiye	0	0	-739	-739	-221
(8)	Daqing Raycom Chuangye	0	0	-1	-1	998
(9)	Daqing Raycom Qihang	-1	-1	-1,181	-1,181	-596
(10)	Daqing Raycom Shengtuo	-5,448	-5,448	-3,416	-3,416	-8,356
(11)	Daqing Raycom Shengshi	-5,503	-5,503	-275	-275	-3,780
(12)	Daqing Raycom Jingxiang	-2,887	-2,887	-2,945	-2,945	-3,844
(13)	Daqing Raycom Tiancheng	0	0	-1,082	-1,082	629
(14)	Yunnan Raycom Real Estate	8,904	6,636	16,394	10,997	25,306
(15)	Beijing Rongzhi Ruifeng	-3,244	-3,244	13,296	13,296	30,154
(16)	Beijing Rongzhi Guofeng	-622	-520	-1,665	-1,259	2,642
(17)	Raycom Investment	9,167	1,626	413	-3,765	4,787
(18)	Yantai Raycom	-64	-51	-44	-33	8,693
(19)	Zhejiang Raycom	10,966	7,446	-25,232	-24,931	-26,535
(20)	Dalian Weilaicheng	-2,862	-2,551	-2,459	-1,987	2,300
(21)	Raycom Tianjin	32,564	13,107	66,294	49,757	29,972
(22)	Anhui Raycom	-1,015	-829	16,805	11,718	31,717
(23)	Wuhan Raycom	-2,158	-1,646	21,411	15,817	27,562
(24)	Beijing Raycom Yangguang	12,159	5,963	18,685	9,031	86,179

S/N	Target Companies	Unaudited		Unaudited		Unaudited
		For the year ended		For the year ended		As at
		31 December 2014		31 December 2015		30 June 2016
		Net profit	Net profit	Net profit	Net profit	Net Asset
		before taxation	after taxation	before taxation	after taxation	value
		(RMB0'000)	(RMB0'000)	(RMB0'000)	(RMB0'000)	(RMB0'000)
(25)	Jiangsu Raycom	-47,734	-47,734	-14,233	-14,233	-50,290
(26)	Raycom Xindibiao	53	16	149	46	4,252
(27)	Beijing Raycom Jingyuan	3,311	-1,015	-1,128	-3,156	44,281
(28)	Tianjin Tuanpohu	482	-179	-7,032	-5,572	31,876
(29)	Wuxi Raycom	-2,645	-2,783	-17,054	-16,634	-2,744
(30)	Jingdezhen Raycom	-2,058	-2,058	-3,140	-2,712	-6,597
(31)	Yixing Raycom	-214	-214	-43	-43	20,836
(32)	Beijing Raycom Zhuoyue	41,482	18,497	1,350	3,789	80,343
(33)	Hefei Raycom	-3,868	-3,069	-482	-150	12,220
(34)	Wuhan Donggu	1,465	878	229	6	13,305
(35)	Shenzhen Raycom	5,667	5,667	2,826	2,826	28,341
(36)	Changsha Raycom	8,548	5,187	6,696	4,277	91,642
(37)	Diyi Taiping Raycom	306	203	497	337	697
(38)	Beijing Donghuan	128,991	52,177	66,201	36,262	135,941
(39)	Beijing Wangdu	129,669	52,855	66,381	36,442	157,080
(40)	Starwish International	125,561	68,234	57,761	31,540	307,032
(41)	EnsenCare	-709	-583	-1,481	-1,152	8,675

As at 30 June 2016, the book value of the investments made by Sellers in Beijing Rongkan, Beijing Kanrong, Raycom Xindibiao and Diyi Taiping Raycom are approximately RMB16,436,000.

Upon Completion of the transactions, (i) each of Beijing Rongkan, Beijing Kanrong, Raycom Xindibiao and Diyi Taiping Raycom will cease to be the associates of Legend Holdings and each of the other Target Companies will cease to be the subsidiaries of Legend Holdings; and (ii) each of Beijing Rongkan, Beijing Kanrong, Raycom Xindibiao and Diyi Taiping Raycom will become the associates of Sunac China and each of the other Target Companies will become subsidiaries of Sunac China.

## INFORMATION OF THE PROPERTY PROJECTS

As at the date of this joint announcement, the Target Companies mainly own the relevant interests in 42 Property Projects which are located in 16 cities in China, including Beijing, Tianjin, Chongqing and Hangzhou, with a total site area of approximately 6,937,180 sq.m., a total gross floor area of approximately 18,022,199 sq.m. and an unsold area of approximately 7,300,535 sq.m. A summary of the Property Projects is set out below:

<b>S/N</b>	<b>Name of Property Project</b>	<b>Project interests in connection with the transaction (interests transferred by the Sellers to the Purchaser)</b>	<b>Product type</b>
(1)	Wuhan Raycom Skyline	100%	Residence, commercial complex, office building, parking space
(2)	Wuhan Raycom Celestial Heights	35.7%	Residence, commercial complex, parking space
(3)	Wuhan Raycom Luoyu Road Centre	100%	Residence, office building, parking space
(4)	Wuhan Raycom Flower Garden	100%	Residence, commercial complex, parking space
(5)	Wuhan Raycom Zhi Gu Phase I	40%	R&D building, parking space
(6)	Hangzhou Raycom Allinsun Garden	100%	Residence, commercial complex, parking space
(7)	Hangzhou Raycom Cover life	100%	Residence, commercial complex, parking space
(8)	Hangzhou Raycom First sea	100%	Residence, commercial complex, office building, parking space
(9)	Changsha La Villa	100%	Residence, commercial complex, parking space
(10)	Changsha San Wan Ying Chi	100%	Residence, commercial complex, parking space
(11)	Changsha Raycom First sea	75%	Residence, commercial complex, office building, parking space
(12)	Changsha Xi Tang Phase II	95%	Residence, parking space
(13)	Wuxi Nine Jade City	95%	Residence, commercial complex, parking space
(14)	Wuxi Jinhu Bay Shi Jia	100%	Residence, commercial complex, parking space

<b>S/N</b>	<b>Name of Property Project</b>	<b>Project interests in connection with the transaction (interests transferred by the Sellers to the Purchaser)</b>	<b>Product type</b>
(15)	Wuxi Balance City	100%	Residence, parking space
(16)	Project Wuxi Yixing	60%	Residence, parking space
(17)	Hainan Sanya Blue Lifang	60%	Residence, commercial complex, hotel, office building, parking space
(18)	Hainan Sanya Haitang Bay	65%	Residence for tourism land purposes
(19)	Jingdezhen Jiu Yu Yi Pin	100%	Residence, commercial complex, parking space
(20)	Yantai Rong Ke Er Hai	35.75%	Residence, commercial complex, parking space
(21)	Kunming Legend Tech City	51%	Commercial complex, residence, office building, parking space
(22)	Daqing Project	100%	Commercial complex, residence, office building, parking space
(23)	Dalian Yan Qi Du	50%	Commercial complex, residence, office building, parking space
(24)	Cao Fei Dian Raycom Up Town	42%	Residence, commercial complex, parking space
(25)	Tianjin Han Tang Yuan (He Dong)	30.6%	Residence, parking space
(26)	Tianjin Raycom Wu Qian Dao	95%	Residence, parking space
(27)	Tianjin Xin Yi Wan	54%	Residence, commercial complex, parking space
(28)	Tianjin Yi Jin Tai	54%	Residence, commercial complex, parking space



<b>Project interests in connection with the transaction (interests transferred by the Sellers to the Purchaser)</b>			
<b>S/N</b>	<b>Name of Property Project</b>	<b>Product type</b>	<b>Product type</b>
(29)	Hefei Raycom Splendor Nonet	100%	Residence, commercial complex, parking space
(30)	Hefei Raycom Wu Tong Li	60%	Residence, parking space
(31)	Hefei Raycom City	41.5%	Commercial complex, residence, office building, parking space
(32)	Beijing Parc de Vincennes	100%	Residence, parking space
(33)	Beijing Wisdom Castle	80%	Residence, parking space
(34)	Beijing Xiang Xue Lan Xi	100%	Residence, parking space
(35)	Beijing Wangjing Olive City	100%	Commercial complex, residence, office building, parking space
(36)	Beijing Raycom Chuangyi Center	66.93%	Commercial complex, office building, parking space
(37)	Chongqing Raycom City	100%	Commercial complex, residence, office building, parking space
(38)	Chongqing Golden Age	100%	Residence, commercial complex, parking space
(39)	Chongqing Diao Yu Tai	100%	Residence, commercial complex, parking space
(40)	Jiangyin Private Palace In City	100%	Residence, commercial complex, parking space
(41)	Beijing Tian Chun	20%	Residence, commercial complex, parking space
(42)	Changzhou EnsenCare	49%	Commercial complex, parking space

*Note: The above details of the Property Projects are subject to final approval by the PRC government authorities.*

## **INFORMATION OF SUNAC CHINA**

Sunac China is a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of the Stock Exchange. As specialised in integrated development of residential and commercial properties, Sunac China is one of the leading real estate developers in the PRC. In line with its regional focus and high-end positioning strategy, Sunac China has developed or is developing many high-quality property projects ranging from high-rise residences, detached villas, retail properties and offices in the first-tier cities and core second-tier cities in the PRC.

## **IMPLICATIONS UNDER THE LISTING RULES**

### **Legend Holdings**

As one of the relevant percentage ratios for Legend Holdings in respect of the Disposals is greater than 25% but less than 75%, entering into the Framework Agreements and the transactions contemplated thereunder constitute a major transaction for Legend Holdings under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **Sunac China**

As the relevant percentage ratios in respect of the Acquisitions are greater than 25% but less than 100%, entering into the Framework Agreements and the transactions contemplated thereunder constitute a major transaction for Sunac China under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

Although Mr. Li Qin, an independent non-executive director of Sunac China, is not a member of the board of directors of Legend Holdings, as he is the chairman of the board of supervisors of Legend Holdings and in order to avoid any potential conflict of interest, he has abstained from voting on the board resolutions of Sunac China for approving the Framework Agreements and the transactions contemplated thereunder. In addition, none of other Sunac China Directors are required to abstain from voting on the relevant resolutions for approving the Framework Agreements and the transactions contemplated thereunder.

Save for the disclosure in relation to Mr. Li Qin above, after making all reasonable enquiries, to the best knowledge, information and belief of the Legend Holdings Directors, Sunac Real Estate and its ultimate beneficial owner are third parties independent of Legend Holdings or its connected persons.

Save for the disclosure in relation to Mr. Li Qin above, after making all reasonable enquiries, to the best knowledge, information and belief of the Sunac China Directors, Raycom, Legend Holdings and their respective ultimate beneficial owners are third parties independent of Sunac China or its connected persons.

To the best knowledge, information and belief of the Legend Holdings Directors after all reasonable enquiries have been made, no Legend Holdings Shareholders or any of their respective associates have any material interest in the Disposals. As such, no Legend Holdings Shareholders would be required to abstain from voting in favour of the resolution approving the Disposals. Pursuant to Rule 14.44 of the Listing Rules, Legend Holdings may apply the written shareholders' approval in lieu of holding a general meeting of Legend Holdings to approve the terms of, and the transactions contemplated, under the Framework Agreements. Legend Holdings will seek the prior written shareholders' approval from Legend Holdings Relevant Shareholders, who are closely allied group of shareholders of Legend Holdings representing in aggregate approximately 52% of the total number of issued shares of Legend Holdings as at the date of this joint announcement. In the event that written shareholders' approval from Legend Holdings Relevant Shareholders is unable to be obtained by Legend Holdings, the Legend Holdings EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Legend Holdings Shareholders to consider, and if thought fit, approve the Disposals.

The Sunac China EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Sunac China Shareholders to consider, and if thought fit, approve the Framework Agreements and the transactions contemplated thereunder.

The Legend Holdings Circular containing, among other things, further details about the Framework Agreements and the transactions contemplated thereunder, is expected to be despatched to the Legend Holdings Shareholders on or before 7 November 2016 so as to allow sufficient time for the preparation of the relevant information, which includes, among other things, the property valuation report on the Property Projects as required under the Listing Rules, for inclusion in the Legend Holdings Circular.

The Sunac China Circular containing, among other things, further details about the Framework Agreements and the transactions contemplated thereunder, is expected to be despatched to the Sunac China Shareholders on or before 30 November 2016 so as to allow sufficient time for the preparation of the relevant information which includes, among other things, the property valuation report in respect of the Property Projects as required under the Listing Rules, for inclusion in the Sunac China Circular.

**The transactions contemplated under the Framework Agreements may or may not proceed. Legend Holdings Shareholders and potential investors should exercise caution when dealing in Legend Holdings Shares and Sunac China Shareholders and potential investors should also exercise caution when dealing in Sunac China Shares.**

## **DEFINITIONS**

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

“Acquisitions”	the conditional acquisition of the Target Equity Interests and the Target Debts in respect of the Target Companies under the Framework Agreements and all the transactions contemplated thereunder
“Completion”	the completion of the sale and purchase of the Target Equity Interests and the Target Debts pursuant to the Framework Agreements
“Completion Date”	the date of Completion, being the date when the business changes of shareholders of all the Target Companies have been duly registered with the relevant government authorities in the PRC
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the sale and purchase of the Target Equity Interests and the Target Debts pursuant to the Framework Agreements, which is subject to adjustments pursuant to the terms and conditions of the Framework Agreements
“Disposals”	the conditional sale of the Target Equity Interests and the Target Debts in respect of the Target Companies under the Framework Agreements and all the transactions contemplated thereunder
“EnsenCare”	Beijing EnsenCare Holdings Co., Ltd. (北京安信頤和控股有限公司), a company incorporated under the laws of the PRC, a wholly-owned subsidiary of Legend Holdings and one of the Target Companies

“Framework Agreement 1”	The asset transfer framework agreement dated 16 September 2016 entered into among Raycom, Legend Holdings and Sunac Real Estate in relation to the sale and purchase of the equity interests and debts of 40 Target Companies and matters ancillary thereto
“Framework Agreement 2”	The acquisition framework agreement dated 16 September 2016 entered into between Legend Holdings and Sunac Real Estate in relation to the sale and purchase of all equity interests and debts of EnsenCare and matters ancillary thereto
“Framework Agreements”	Framework Agreement 1 and Framework Agreement 2
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a person or persons which is or are independent of, and not connected with, any directors, supervisors, chief executive or substantial shareholders (within the meaning under the Listing Rules) of Legend Holdings or Sunac China (as the case may be) or any of their subsidiaries or any of their respective associate(s) (within the meaning under the Listing Rules)
“Legend Holdings”	Legend Holdings Corporation (聯想控股股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC and its H shares are listed on the Main Board of the Stock Exchange (Stock Code: 3396)
“Legend Holdings Circular”	a shareholder circular of Legend Holdings containing, among other things, (i) further details about the Framework Agreements and the transactions contemplated thereunder, and (ii) a notice of the Legend Holdings EGM together with a proxy form for the Legend Holdings EGM, as the case may be
“Legend Holdings Directors”	the directors of Legend Holdings
“Legend Holdings EGM”	the extraordinary general meeting to be convened by Legend Holdings, as the case may be, for approving the Framework Agreements and the transactions contemplated thereunder

“Legend Holdings Group”	Legend Holdings and its subsidiaries
“Legend Holdings Relevant Shareholders”	Chinese Academy of Sciences Holdings Co., Ltd. (中國科學院國有資產經營有限責任公司), which was the initial shareholder of Legend Holdings upon its establishment in 1984, Beijing Lian Chi Zhi Yuan Management Consulting Center (Limited Partnership) (北京聯持志遠管理諮詢中心(有限合夥)) and Mr. Liu Chuanzhi who were subsequently as incentives for employees to obtain and hold the equity interest of Legend Holdings, respectively held 29.05%, 20.37% and 2.89% of the total number of issued shares of Legend Holdings as at the date of this joint announcement
“Legend Holdings Shares”	the shares of Legend Holdings
“Legend Holdings Shareholders”	the holders of Legend Holdings Shares
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offshore Target Debts”	Pursuant to the Framework Agreement 1, the loans of HK\$220,000,000 and US\$160,000,000 owed by Starwish International to Right Lane Limited (南明有限公司), an offshore subsidiary of Legend Holdings, and accrued but unpaid interests as at the Reference Date of approximately HK\$2,850,000 and approximately US\$2,070,000 (together with other accrued but unpaid interests as of the actual payment date)
“Onshore Target Companies”	Pursuant to the Framework Agreement 1, the 39 companies established in the PRC which are subsidiaries of Raycom and whose equity interests and loans are the subject matter of the transactions contemplated under the Framework Agreement 1

“Onshore Target Debts”	Pursuant to the Framework Agreement 1, the loans and payables owed by the Onshore Target Companies and their respective subsidiaries to Raycom and Legend Holdings as at the Reference Date in the total amount of approximately RMB8,897,060,000 (plus other new outstanding shareholders’ borrowings of Target Companies and their subsidiaries owing to the Sellers, if any, and accrued but unpaid interest as of the actual payment date), including any payable but not yet distributed dividends attributable to the Sellers before the Reference Date
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	The People’s Republic of China
“Property Projects”	the real estate portfolio held by Target Companies to be transferred to Sunac Real Estate pursuant to the Framework Agreements, details of which are set out under “Information of the Property Projects” of this joint announcement
“Purchaser”	Sunac Real Estate and the parties designated by it
“Raycom”	Raycom Real Estate Development Co., Ltd.* (融科智地房地產股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC and a subsidiary of Legend Holdings
“Raycom Financial Debts”	the financial debts of Raycom, comprising (i) the corporate bonds in the total amount of RMB5,500,000,000 issued by Raycom on 3 June 2016 and 2 August 2016 and (ii) the bank borrowings owed by Raycom to relevant financial institutions with a total principal amount of approximately RMB1,997,000,000
“Raycom Onshore Wholly-owned Subsidiary”	an onshore wholly-owned subsidiary to be established in the PRC by Raycom as its wholly-owned subsidiary for the purpose of accepting the transfer of the entire equity interest in Starwish International so as to replace Starwish International as one of the Target Companies pursuant to the Framework Agreement 1

“Raycom InfoTech Park Zone”	Blocks A, B, C and D of Raycom InfoTech Park located at No. 2 Kexueyuan Nanlu, Haidian District, Beijing, the PRC
“Reference Date”	30 June 2016
“RMB”	the lawful currency of the PRC
“Seller(s)”	Raycom and/or Legend Holdings
“Starwish International”	Starwish International Limited (星願國際有限公司), a limited company incorporated in the British Virgin Islands, a subsidiary of Raycom and one of the Target Companies
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Sunac China”	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1918)
“Sunac China Circular”	a circular of Sunac China containing, among other things, (i) further details about the Framework Agreements and the transactions contemplated thereunder and (ii) a notice of the Sunac China EGM together with a proxy form for the Sunac China EGM
“Sunac China Directors”	the directors of Sunac China
“Sunac China EGM”	the extraordinary general meeting to be convened by Sunac China for approving the Framework Agreements and the transactions contemplated thereunder
“Sunac China Shares”	the shares in Sunac China
“Sunac China Shareholders”	the holders of Sunac China’s shares
“Sunac Group”	Sunac China and its subsidiaries



“Sunac Real Estate”	Sunac Real Estate Group Co., Ltd.* (融創房地產集團有限公司), a limited company established in the PRC and an indirect wholly-owned subsidiary of Sunac China
“Target Company(ies)”	collectively, the 41 target companies, including the 40 subject companies under the Framework Agreement 1 and EnsenCare under the Framework Agreement 2, details of each of which are set out under “Information of the Target Companies” of this joint announcement
“Target Debts”	collectively, the Onshore Target Debts and the Offshore Target Debts and the debts to be transferred under the Framework Agreement 2
“Target Equity Interests”	the relevant equity interests in Target Companies contemplated under Framework Agreement 1 and/or Framework Agreement 2
“Transactions”	collectively, Transaction 1 and Transaction 2
“Transaction 1”	the transactions contemplated under the Framework Agreement 1
“Transaction 2”	the transactions contemplated under the Framework Agreement 2
“Transfer of Management Rights”	the transfer of actual control over the operation and management of the Target Companies and their respective subsidiaries by Raycom to Sunac Real Estate as contemplated under the Framework Agreement 1
“Transitional Period”	the period between the date of the Framework Agreements and the date of completion of Transfer of Management Rights (with every Target Company having its own Transitional Period)
“US\$”	US dollars, the lawful currency of the United States of America
“working day(s)”	day(s) (excluding Saturday, Sunday or general public holiday) on which commercial banks are open for general banking business in the PRC
“%”	per cent

\* *for identification purposes only*

*For the purposes of this joint announcement, the exchange rate of HK\$1.00 = RMB0.86223 and US\$1.00 = RMB6.6895 have been used, where applicable, for illustrative purposes only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate or any other rate or at all on the date or dates in question or any other date.*

By Order of the board of directors of  
**Legend Holdings Corporation**  
**ZHU Linan**  
*Executive Director and President*

By Order of the board of directors of  
**Sunac China Holdings Limited**  
**SUN Hongbin**  
*Chairman*

Hong Kong, 18 September 2016

*As at the date of this joint announcement, the executive directors of Legend Holdings are Mr. LIU Chuanzhi, Mr. ZHU Linan and Mr. ZHAO John Huan; the non-executive directors of Legend Holdings are Mr. WU Lebin, Mr. WANG Jin and Mr. LU Zhiqiang; and the independent non-executive directors of Legend Holdings are Mr. MA Weihua, Mr. ZHANG Xuebing and Ms. HAO Quan.*

*The Legend Holdings Directors mutually and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than that relating to Sunac China or Sunac Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by Sunac China or Sunac Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the executive directors of Sunac China are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. JING Hong, Mr. CHI Xun, Mr. SHANG Yu and Mr. LI Shaozhong; the non-executive director of Sunac China is Mr. Zhu Jia; and the independent non-executive directors of Sunac China are Mr. POON Chiu Kwok, Mr. LI Qin, Mr. MA Lishan and Mr. TSE Chi Wai.*

*The directors of Sunac China jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than that relating to Legend Holdings or Legend Holdings Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by Legend Holdings or Legend Holdings Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*In case of any discrepancies between the English version and the Chinese version of this joint announcement, the Chinese version shall prevail.*