



联想控股
LEGEND HOLDINGS
— 制造卓越企业 —

Interim Results Presentation

Aug. 2017

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Section I: 1H 2017 Business Review



BUILDING GREAT COMPANIES
制造卓越企业
打造没有家族的家族企业



BUILDING GREAT COMPANIES
制造卓越企业
做一家值得信赖并受人尊重的企业



BUILDING GREAT COMPANIES
制造卓越企业
展现企业成长之美

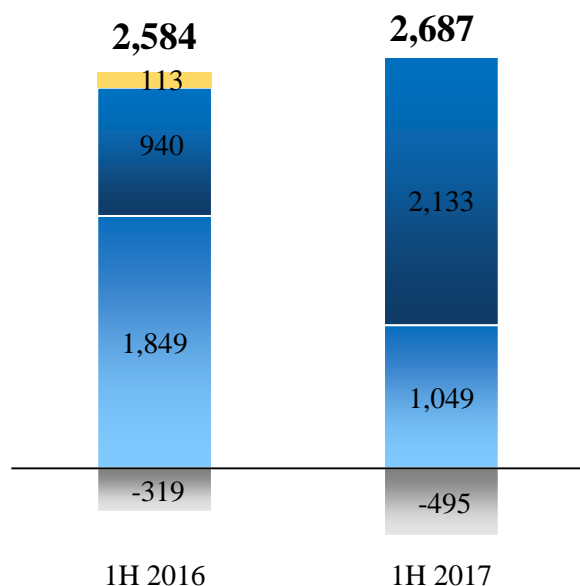
1H 2017 Overall Performance

Continuing Growth: 1H 2017 net profit attributable to equity holders of Legend Holdings up by 4%, net profit attributable to equity holders of the Company from continuing operations up by 9%

Sustainable Profit Growth

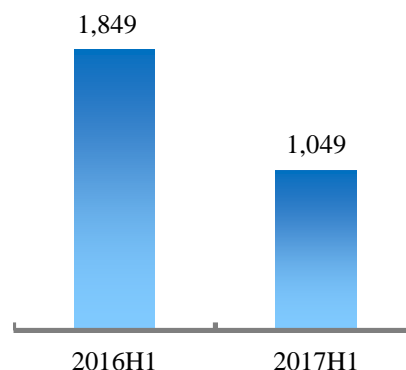
Net profit attributable to equity holders of the Company
(mn RMB)

- Discontinued operations
- Unallocated
- Financial Investment
- Strategic Investment



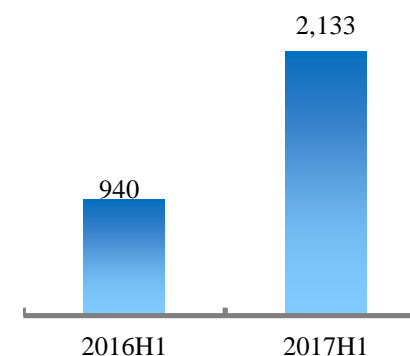
Strategic Investment

(mn RMB)



Financial Investment

(mn RMB)



Steady revenue growth in strategic investments

IT	-----	Rev 134.7b RMB(+8%) , net profit 16mn RMB(-98%)
Financial Services	-----	Rev 1,688mn RMB(+204%) , net profit 617m RMB(-42%)
Innovative Consumption and Services	-----	Rev 1,222mn RMB(+30%) , net loss 173mn RMB
Agriculture and Food	-----	Rev 2,008mn (+64%) , net profit 125mn(+346%)
New Materials	-----	Rev 2,588mn(+1%) , net profit 464mn(+277%)

Significant profitability growth in financial investments

Business Overview : ride on economic development momentum , continue optimizing portfolio

- Basing on our own strategy and capturing China economic growth momentum, Legend Holdings serves the real economy by direct investments. Our strategic and financial investments platforms captured opportunities promoted by the supply-side reform in consumption and services sector, and participated in SOE reform. The Belt and Road Initiative also provides us opportunities in future cross-border investments.



Continue discovering opportunities in strategic focused area

Innovative Consumption and Services

Strategic investment in EAL : RMB 1,025mn investment in 25% equity shareholding, a benchmark case in SOE mixed ownership reform. Accordant with our strategic in the sector and can contribute to our business expansion in aspects of cross-boarder e-commerce, air logistics, high-end fresh seafood air logistics, etc.

Strategic investment in Better Sun Educational Group : a leading kindergarten chain group; supply-side shortage in preschool sector plus second child policy implementation and industry density, boost rapid growth of leading enterprises; tap into education sector at the time of consumption upgrade in a bid to enhance enterprise and social value.



Continue optimizing portfolio

New Materials

Levima brought in new investors : CAS Holdings invested 850mn RMB in Levima New Materials; with technology, innovation resources and optimized capital structure, Levima has greater potential in improvements of further resource allocation and competitive position.

Phylion Battery sell-off : Disposed all our shareholding in the company (33.21%) at total valuation of RMB 2.8bn and consideration of 930mn; to further strategic focus, with a healthy financial return.

Business Overview : active approach in capital markets operations of invested companies



- Submitted IPO application (at Shenzhen ChiNext) to CSRC on 3rd Mar. 2017, received feedback from CSRC by the end of this reporting period, application in progress.

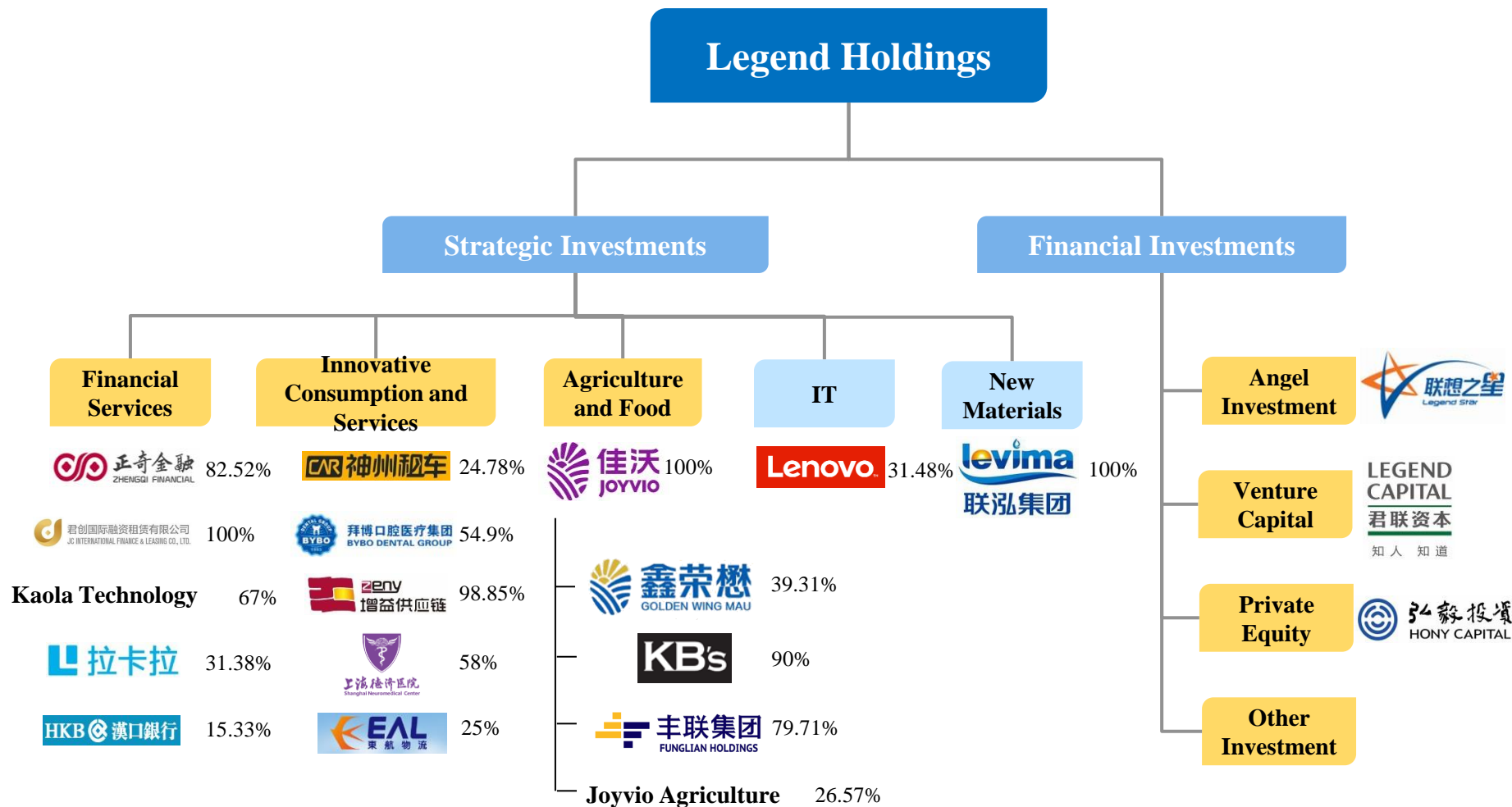


- Apr. 2017, A-share listed company Hebei Hengshui Laobaigan (600559.SH) issued restructuring proposal to buy 79.71% equity interests of Funlian Holdings from Joyvio Group. The consideration will be settled with the listed company's new shares and cash. Transaction in progress.

Joyvio Agriculture

- 6th. Jun. 2017, Joyvio Group completed equity transfer registration of Wanfu Biotechnology (300268.SZ) at CSDC; 27th Jun. 2017, Wanfu Biotechnology changed its name to Joyvio Agriculture Development Co Ltd; 29th Jun. 2017, stock name changed to Joyvio Agriculture (300268.SZ)
- 21st Mar. 2017, Joyvio Agriculture launched restructuring and suspended trading, in proposition to acquire 55% equity interests of Qingdao Guoxing Food Company Co Ltd. The transaction was successfully closed on 10th Aug.

Our Portfolio



Note: Major but not all portfolio companies are listed

Section II: Segment Review



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制造卓越企业
打造没有家族的家族企业



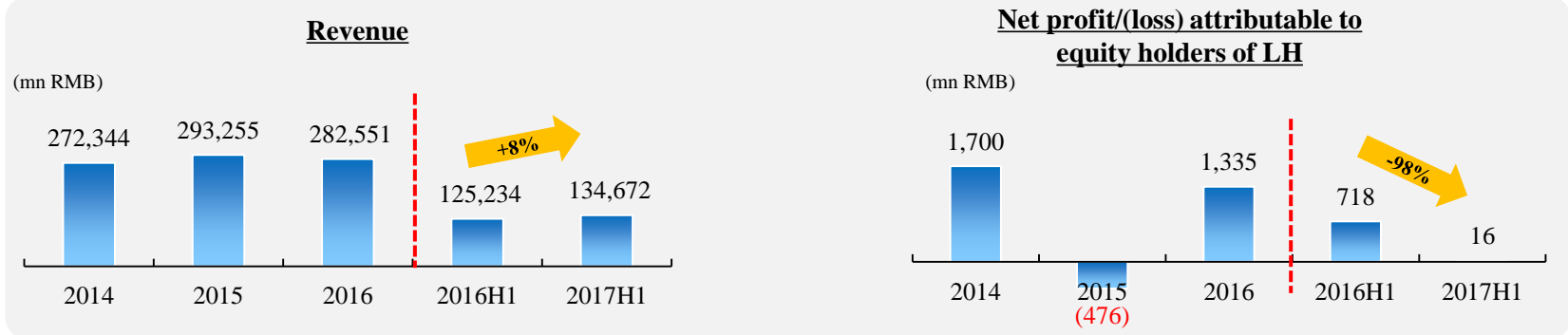
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IT: focused on striking a balance between growth and profitability

- In the first half of 2017, Lenovo continued its focus on striking a balance between growth and profitability in its PC and smart device business while executing its transformation strategy in its Mobile and Data Center businesses, despite challenges arising from key component cost increases and supply constraints.
- Lenovo now has a stronger organization with sharper customer focus and more compelling product portfolio. Coupled with strong execution, Lenovo remains confident it can build leading positions in every business it enters and drive profitable growth



PCSD

- In the first half of 2017, Lenovo continued to strike a balance between growth and profitability. As such, the PCSD revenue growth exceeded the shipment growth in the second quarter of 2017 on better average selling price driven by innovative products and better product mix. Lenovo's worldwide PC market share was 20.4 percent

MBG

- Lenovo's mobile business started showing signs of strengthening, leading to a strong performance in ROW (rest of the world/outside China) markets, while China continued to refine its strategy. Lenovo's premium products like Moto Z, Moto Mods, and the fifth generation of Moto G continued to receive encouraging customer response and increased activation rates.

DCG

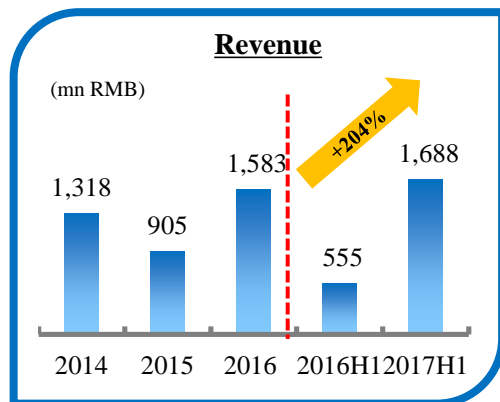
- Lenovo continued to execute its transformation plan with investments in building direct sales capability, strengthening the channel and product solution capabilities to drive future sustainable profitable growth. Started to show positive momentum in its operations in ROW

LCIG and Others

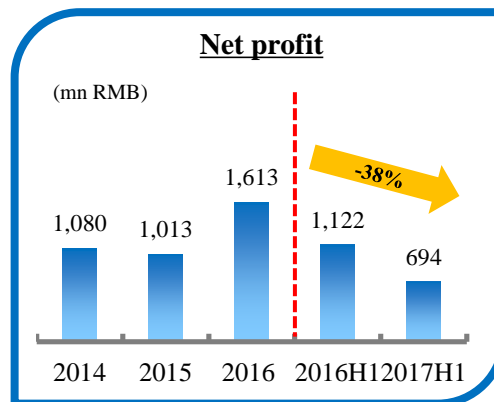
- Lenovo continued to invest and build its capability in AI, internet of things, Big Data and VR/AR across various sectors such as manufacturing, healthcare, smart car, and etc.

Financial Services: achieved rapid revenue growth

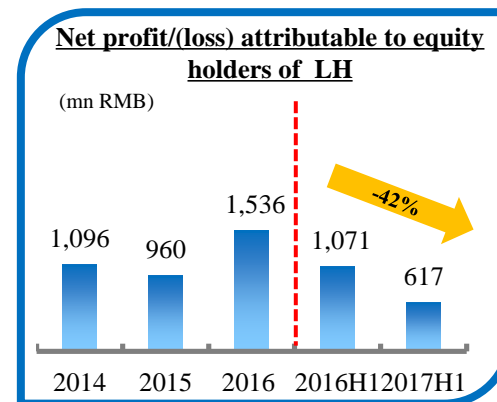
- During the reporting period, revenue of the segment was RMB1,688mn (+204%), mainly due to greater contributions from financial leasing business, loan business and innovative financial services. Net profit decreased to RMB694mn (-38%), mainly due to the decrease in the investment income and fair value gain.



- Obtained business licenses and established subsidiaries in Beijing, Shanghai and Wuhan.
- Continued to optimize business structure, to provide customers with the optimized resource allocation and develop the advantages of brand differentiation. Enhanced the liquidation of non-performing assets.
- In June 2017, Zhengqi Leasing completed its first tranche of issuance of ABS.
- Revenue grew by 31% to RMB590mn, net profit decreased by 45% to RMB317mn, due to decrease in investment business.



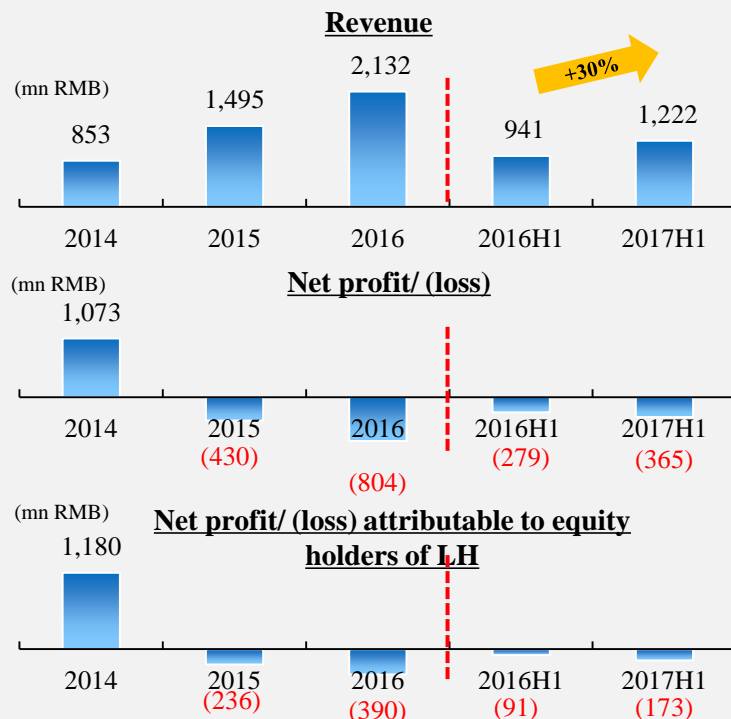
- Expanded the market with its established strategies, completed the feasibility assessments on tourism and consumption, and small and micro healthcare businesses, established two new offices in Beijing and Zhengzhou.
- The total asset amounted to RMB9,229mn and the remaining balance of interest-bearing assets amounted to RMB7,962mn, representing YoY growth of 56% and 41% respectively.
- Revenue grew by 193% to RMB302mn, net profit grew by 183% to RMB85mn.



- Kaola Technology:** Focuses on the fast-growing field of micro finance, featuring online loan. Established an institutional risk management system with advanced big data application technology. Outstanding balance of loans amounted to RMB6.7bn. Revenue amounted to RMB796mn, net profit amounted to RMB142mn.
- Lakala Payment:** Submitted IPO application. Profitability continued to grow and business covered over 4.5mn merchants and over 10mn individual users over 330 cities. In 2017H1 the transaction amount exceeded RMB800bn.


Innovative Consumption and Services: allocated in new opportunities


- We regard brand-oriented services and service upgrading to be our focus. We look into industries including healthcare, supply chain, education, tourism, etc. and to cultivate outstanding companies.
- Healthcare: Bybo completed expansion layout; Shanghai Neuromedical center grew in revenue.
- Supply chain: Loss continued to narrow for Zeny; new allocation in air cargo transportation through investment in EAL.
- Education: Acquire Better Sun Educational Group and make presence in education upgrading.



 拜博口腔医疗集团 BYBO DENTAL GROUP			2017-6-30	2016-6-30
# of outlets			207	180
# of dental chairs			2,742	2,290
# of dentists			1,278	934
			2017H1	2016H1
Revenue (mn RMB)			650	573
Net loss (mn RMB)			(406)	(367)

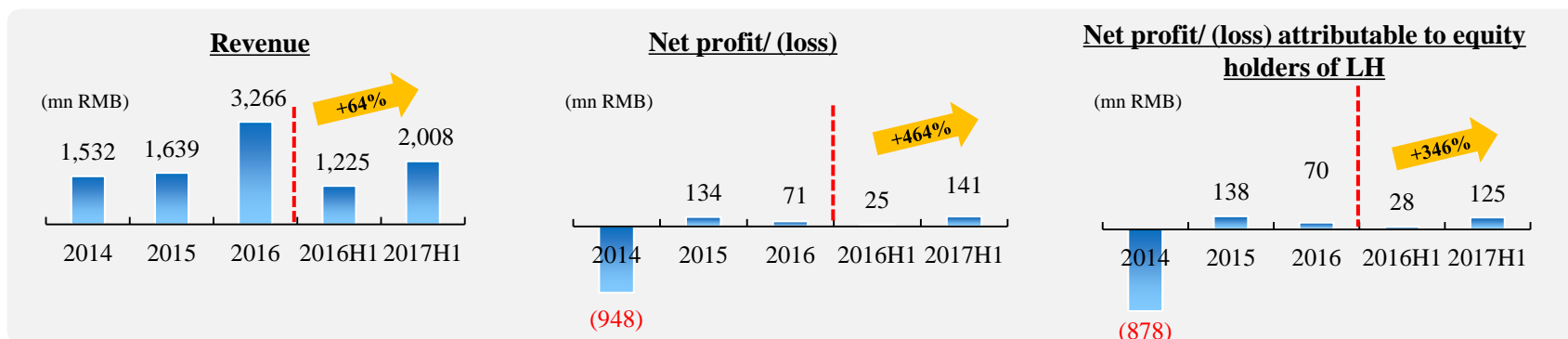
- Increase in loss due to the growth of established outlets tended to be sluggish resulted from competition, and breakeven of new outlets yet to be reached and financial cost burden increased.

 增益供应链 ZENY SUPPLY CHAIN			2017H1	2016H1
Revenue (mn RMB)			467	368
Net loss (mn RMB)			(31)	(98)

 神州租车 UCAR RENTAL CAR			2017-6-30	2016-6-30
Total fleet			100,029	99,727
Revenue (mn RMB)			3,612	2,969
Net profit (mn RMB)			379	1,062
			■ Adjusted net profit to be RMB313.7mn, comparing with 471.6mn last year, the decrease mainly due to the decreased UCAR rental fleet, reduced residue value of certain car models and increased financial costs.	

Agriculture and Food: accelerated in supply chain integration

- Fruits: through the merger and acquisition of the Asian business of Capespan, we have achieved to cover Hong Kong, Southeast Asia, Japan and Korea markets, marking the commencement of the global presence of our fruit business channel.
- Seafood: we own KB Food, a leading Australian seafood supplier, based on which the expansion and integration of global seafood supply chain system will be launched. As a A-share listed platform for strategic development under Joyvio Group, Joyvio Agriculture will accelerate the expansion of domestic trading, processing and sale of seafood and other animal protein-related products.

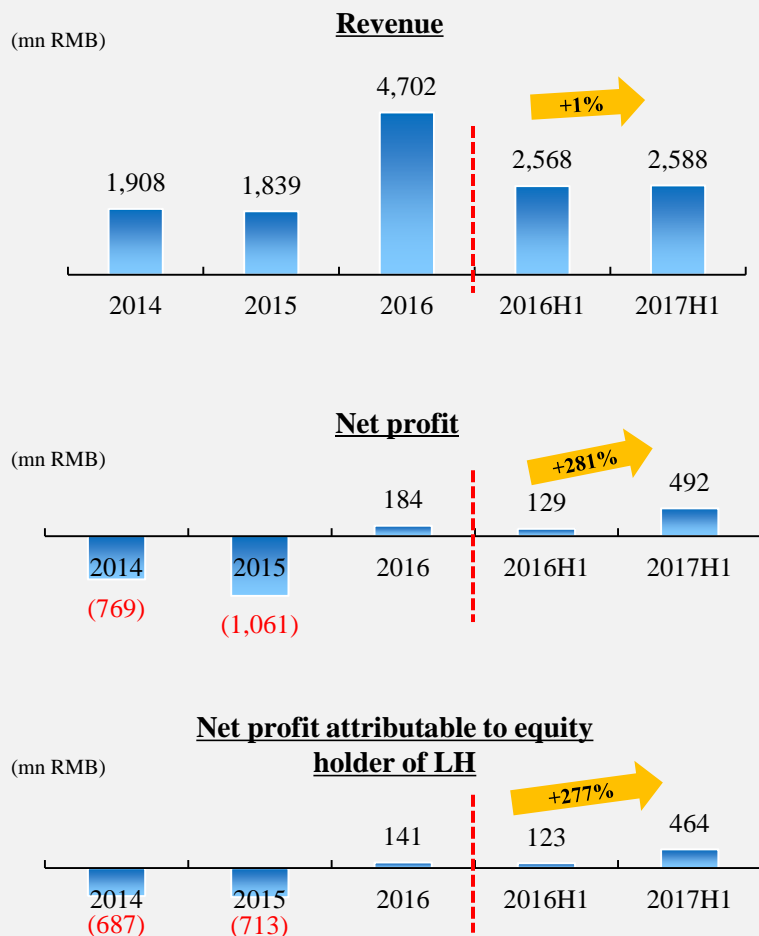


- The blueberries planted by Golden Wing Mau experienced a record-high production volume. Since the advantages of products such as durians from Thailand and dragon fruits from Vietnam kept improving, we exerted greater efforts in expanding products in the Southeast Asia. Meanwhile, wholesale channels recorded rapid development, resulting in a more reasonable channel structure. GWM recorded 43% revenue growth and 52% net profit growth.
- Joyvio Agriculture is the industrial operation platform for Joyvio's animal protein-related business. It has acquired Qingdao Starfish in the reporting period.
- Joyvio Group's revenue grew 8% to RMB684mn, net profit grew 89% to RMB104mn.



- The overall business growth of KB Food was in line with expectations. We took active initiative in helping KB Food to identify and capitalize on the opportunities of upstream resources integration. By acquisition in May, KB Food will own two large purse seine fishing vessels in Shark Bay, Western Australia, which are mainly for fishing prawns, tiger prawns, scallops and other wild seafood, which can enable KB Food to further consolidating upstream resources in Australia, with a view to enhancing integration of the company's industrial chain, thereby strengthening the comprehensive competitiveness in the market.
- KB Food recorded revenue of RMB1,324mn and net profit of RMB39mn.

New Materials: continued in optimization



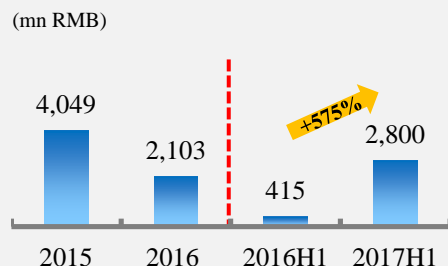
- New materials segment recorded revenue of RMB2,588mn (+1%) and net profit of RMB492mn (+281%)
- We disposed the entire equity interest of Phylion Battery held by us (33.21%). The overall valuation was RMB2.8bn and the consideration was approximately RMB930 mn. Through disposal our portfolio was further focused. Also, we received a satisfactory financial return with after-tax disposal gain of RMB386mn.



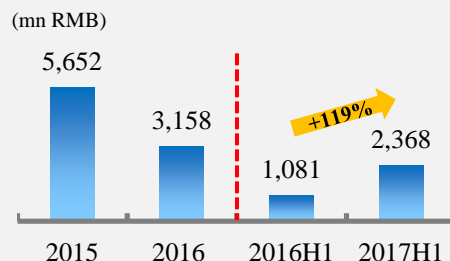
- CAS Holdings invested 850mn RMB in Levima New Materials. With technology, innovation resources and optimized capital structure, Levima has greater potential in improvements of further resource allocation and competitive position.
- Levima continued to optimize its product portfolio. The product proportion of PP special material, EVA with high VA content and special EOD increased to 80%, 75% and 67% respectively.
- Levima Group recorded revenue of RMB2,588mn. Net profit grew by 50% to RMB81mn.

Financial Investments: grew in AUM and profit contribution

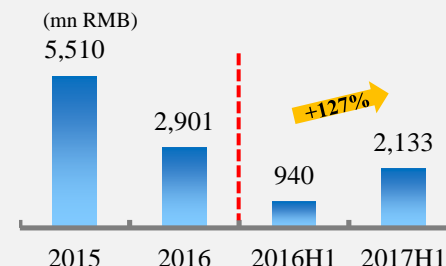
Investment income and gains



Net profit



Net profit attributable to equity holders of LH



Angel Investment



- Legend Star newly launched third RMB fund and third USD fund with RMB357mn raised already. Newly invested in over 30 projects, 29 projects finished new round of financing and exited in 3 projects during the reporting period.

Venture Capital



- Launched 2nd culture and sports RMB fund and completed the final closing of 7th USD fund. RMB2.94bn raised in total during the reporting period.
- Newly invested in 25 projects, exited in 10 projects. 3 portfolio companies went listed in A-share & HK. Contributed RMB310mn cash back to LH.

Private Equity



- Completed raising the second property value-added strategic fund with a size of RMB2.56bn, launched raising of Haidian technology industry space optimization fund with RMB1.075bn raised already.
- PE funds newly invested in 6 projects and exited in 8. Mezzanine funds invested in 4 and exited in 5. One portfolio company listed in HK. RMB860mn cash back to LH.

- As of June 30, 2017, the fair value of our investment properties Raycom Info Tech Park Tower A, Tower B and Tower C in Beijing amounted to RMB10.353 billion

Section III: Financials

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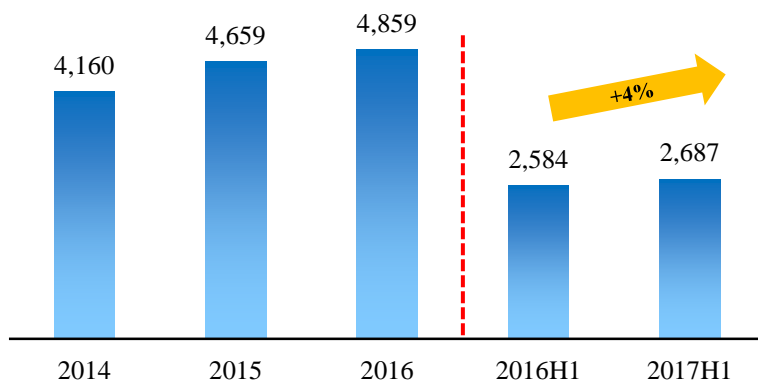
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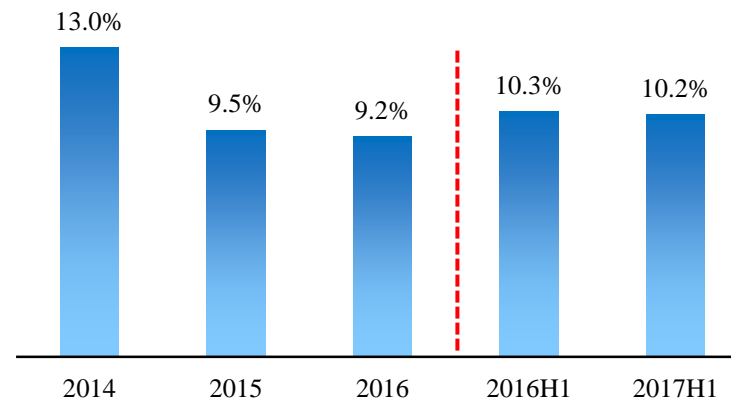
Profit Quality

Net profit attributable to equity holders of the company

(mn RMB)



ROE



Note: Annualized

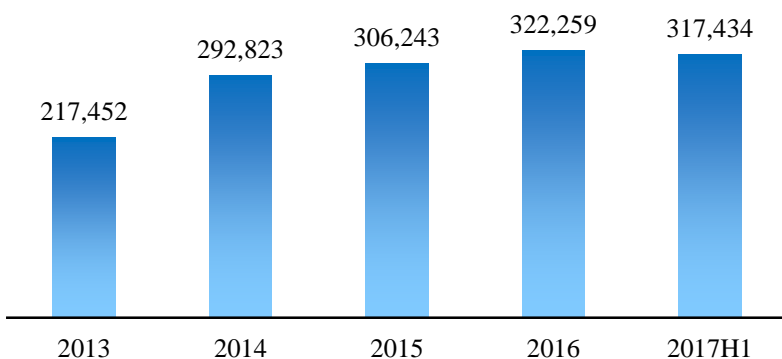
Net profit attributable to equity holders of the company breakdown

mn RMB	2017H1		2016H1	
IT	16	1%	718	28%
Financial services	617	23%	1,071	41%
Innovative consumption and services	-173	-6%	-91	-4%
Agriculture and food	125	5%	28	1%
New materials	464	17%	123	5%
Financial investments	2,133	79%	940	36%
Unallocated	-495	-18%	-319	-12%
Discontinued operations	-	0%	114	4%
Net profit attributable to equity holders	2,687	100%	2,584	100%

Capital Structure

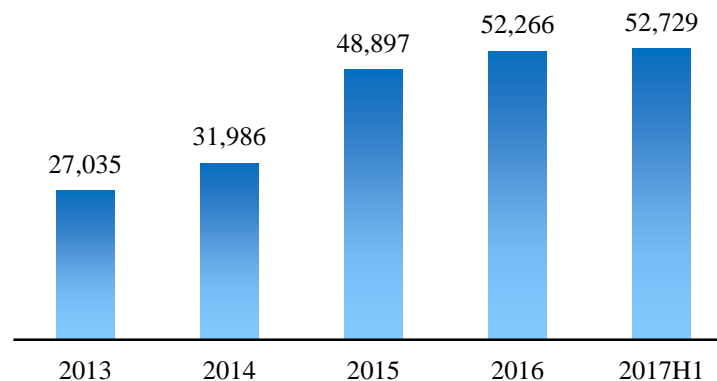
Consolidated total assets

(mn RMB)

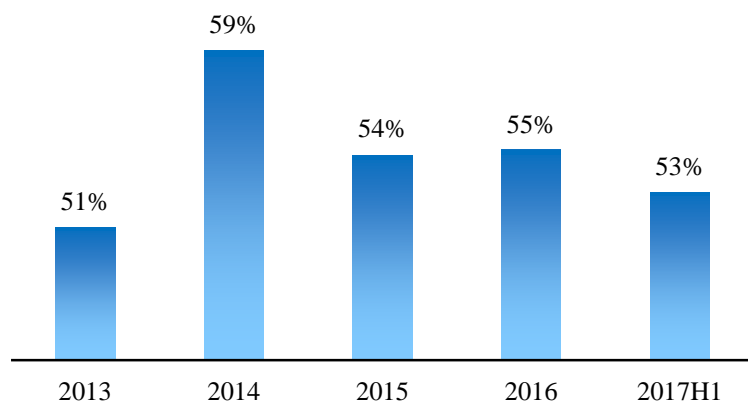


Equity attributable to equity holders of the company

(mn RMB)

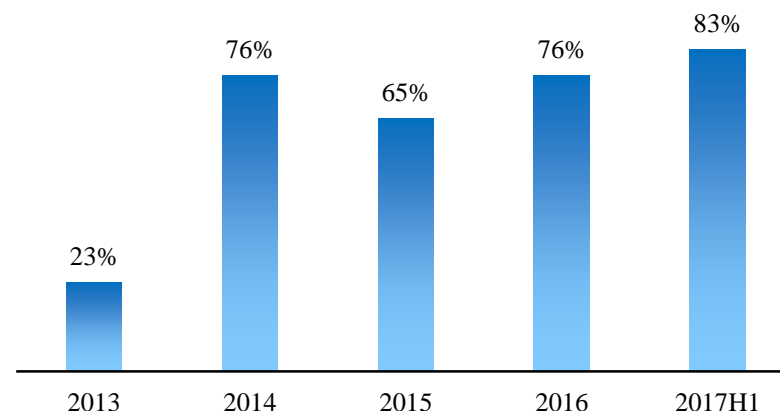


Consolidated total debt/ total capital*



*Total capital = total debt + total equity

Debt/ Equity**



**Debt / Equity = net debt / total equity

A full-page background image of a snow-covered mountain peak under a bright blue sky with a sun flare in the top left. A climber is visible on the ridge. The text is overlaid on the center of the image.

Thank you !

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