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LEGENDARY GROUP LIMITED

創天傳承集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8195)

**INSIDE INFORMATION
NEW PRIVATE SUPPLEMENTARY EDUCATION BUSINESS
AND
DISCLOSEABLE TRANSACTION
RELATING TO A DEEMED DISPOSAL OF EQUITY INTEREST
IN A SUBSIDIARY
AND
THE YY LAM SERVICE AGREEMENT**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

NEW PRIVATE SUPPLEMENTARY EDUCATION BUSINESS

In August 2021, the Company resolved to develop the business of provision of private supplementary education services as a new business of the Group. Private supplementary education services play a supplemental role to regular schools, helping students deepen their understanding of what they have learnt in classes, improve their school grades and better prepare themselves for public examinations. Private supplementary education services, especially those for local secondary school students, have been in high demand in Hong Kong.

It has been the business strategy of the Group to proactively seek potential investment opportunities in order to enhance value of the Shareholders. The Directors consider that the Group's new business presence in the private supplementary education services industry will be beneficial for the Group to diversify its existing business portfolio and broaden its source of income and is in the interests of the Company and the Shareholders as a whole.

The Board currently expects that the Group will commence the new private supplementary education business on or after 1 December 2021, subject to completion of registration of the Schools under the Education Ordinance.

THE SHAREHOLDERS' AGREEMENT

In order to better position the Group to develop the new private supplementary education business, the Board is pleased to announce that on 7 September 2021 (after trading hours), the Company, Peaceful Success (a direct wholly-owned subsidiary of the Company) and JV Company (an indirect wholly-owned subsidiary of the Company) entered into the Shareholders' Agreement with JV Partner (a company wholly-owned by Mr. YY Lam) in respect of JV Company.

Pursuant to the Shareholders' Agreement, JV Partner shall subscribe 10% of the then issued share capital of JV Company upon Completion, which is scheduled to take place on 1 October 2021. In order to provide incentive to JV Partner, it shall have the right to increase its shareholding in JV Company to 20% of the then issued share capital of JV Company upon Further Completion, which is scheduled to take place on 1 October 2022. Upon Completion, Mr. YY Lam will be appointed as the General Manager and the chairman of the JV Board.

The Shareholders' Agreement further sets out the rights, obligations and commitments of Peaceful Success and JV Partner as shareholders of JV Company, and the conduct of the business of JV Company.

THE YY LAM SERVICE AGREEMENT

In connection with the Shareholders' Agreement, the Company and JV Company entered into the YY Lam Service Agreement with Service Company (a company wholly-owned by Mr. YY Lam) and Mr. YY Lam on 7 September 2021. Pursuant to the YY Lam Service Agreement, Service Company has agreed to (i) provide teaching services at the Schools for the Courses targeted at HKDSE students during the Term; and (ii) engage Mr. YY Lam as the designated tutor to teach the Courses.

Mr. YY Lam has been well known in the market as the "Star Tutor" with a proven prominent track record of helping his students to improve their examination results in Chinese Language. Mr. YY Lam and his team have also gained a reputation for self-designed teaching methods, course contents and learning tools for many years. The Board considers that the extensive experience, reputation and student base of Mr. YY Lam and his team will provide the Group with invaluable insights and resources to tap into the private supplementary education services industry.

GEM LISTING RULES IMPLICATIONS

Upon Completion, the Group's interest in JV Company will reduce from 100% to 90%. Upon Further Completion, the Group's interest in JV Company will reduce from 90% to 80%. Accordingly, the Subscription and the Further Subscription constitute a deemed disposal of the equity interest of JV Company under the GEM Listing Rules. As one or more of the applicable percentage ratios (as defined in Chapter 19 of the GEM Listing Rules) in respect of the Transactions is 5% or more but less than 25%, the entering into of the Shareholder's Agreement and the YY Lam Service Agreement constitutes a discloseable transaction of the Company, and is subject to the notification, and announcement publication requirements under Chapter 19 of the GEM Listing Rules.

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It has been the business strategy of the Group to proactively seek potential investment opportunities in order to enhance value of the Shareholders. The Directors consider that the Group's new business presence in the private supplementary education services industry will be beneficial for the Group to diversify its existing business portfolio and broaden its source of income and is in the interests of the Company and the Shareholders as a whole.

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Immediately upon Completion, JV Company will be owned as to 90% by Peaceful Success and 10% by JV Partner. Immediately upon Further Completion, JV Company will be held as to 80% by Peaceful Success and 20% by JV Partner.

The Shareholders' Agreement further sets out the rights, obligations and commitments of Peaceful Success and JV Partner as shareholders of JV Company, and the conduct of the business of JV Company. Principal terms of the Shareholders' Agreement are summarised below:

Date : 7 September 2021

Parties : (1) The Company; (2) Peaceful Success; (3) JV Partner; and (4) JV Company (collectively, the "**JV Parties**")

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, JV Partner and its ultimate beneficial owner, namely Mr. YY Lam, are Independent Third Parties.

Subscription and Further Subscription : JV Partner shall subscribe for 100 new JV Shares at a total subscription price of HK\$100 on 1 October 2021, which shall represent 10% of the then issued share capital of JV Company upon Completion which is scheduled to take place on 1 October 2021.

JV Partner shall have the right to further subscribe for such number of new JV Shares at a total subscription price of HK\$100 on 1 October 2022, which would increase the shareholding of JV Partner in JV Company to 20% of the then issued share capital of JV Company upon Further Completion which is scheduled to take place on 1 October 2022.

The unaudited net asset value of JV Company was approximately HK\$800 as at 31 July 2021. Assuming that JV Company will have 1,000 JV shares in issue upon Completion, the net asset value per share of JV Company will be approximately HK\$0.8 (the "**Reference NAV per Share**"). The subscription price for JV Shares were determined based on arm's length negotiation among the JV Parties and with reference to the Reference NAV Per Share.

Business of JV Company : JV Company shall operate educational institutions in Hong Kong under the brand name “**DEFINING EDUCATION**” and/or such other name(s) as mutually agreed between Peaceful Success and JV Partner for the JV Business. JV Company shall at its own costs establish the Schools upon signing of the Shareholders’ Agreement in accordance with the requirements of the Education Ordinance and other applicable laws, rules and regulations. Each School shall be duly registered under the Education Ordinance for providing, inter alia, secondary school education in Hong Kong.

Management of JV Company : The JV Board shall be responsible for determining the overall policies and objectives of JV Company while the JV Board shall delegate the day-to-day management of the JV Business to the General Manager. Mr. YY Lam shall be appointed as the General Manager of JV Company upon Completion. The General Manager shall not be entitled to any remuneration in relation to his appointment as General Manager.

The number of directors of the JV Board shall be not less than two and not more than five. So long as Peaceful Success holds not less than 80% of the JV Shares, it shall be entitled to appoint up to three directors to the JV Board. So long as JV Partner holds any JV Share, it shall be entitled to appoint up to two directors to the JV Board and appoint the chairman of the JV Board. Mr. YY Lam shall be appointed as a director and the chairman of the JV Board upon Completion.

Funding : Upon execution of the Shareholders’ Agreement, Peaceful Success shall advance a shareholder’s loan in the sum of not less than HK\$4,000,000 to JV Company for its general working capital. Such shareholder’s loan is on an unsecured and interest free basis and repayable on demand upon winding up or liquidation and subject to the terms of the Shareholders’ Agreement. It is the intention of the JV Parties that JV Company shall at all times after the execution of the Shareholders’ Agreement maintain a special reserve of HK\$4,000,000 in available cash (the “**Reserve**”), which shall only be applied towards the operating expenses of the JV Business. Subject to the terms of the Shareholders’ Agreement, if the amount of available cash of JV Company and its subsidiaries (if any) shall be insufficient to maintain the Reserve, the General Manager may issue a written notice to Peaceful Success for further shareholder’s loan to be advanced by Peaceful Success to JV Company in order to replenish the Reserve.

The shareholder's loans to be advanced by Peaceful Success to JV Company will be funded by the internal resources of the Company.

JV Partner shall not be required to provide funding to JV Company whether by way of subscribing for new JV Shares or other securities of JV Company, providing any form of debt funding, security, collateral or guarantee or any other arrangement whatsoever.

The funding commitment was arrived at after arm's length negotiations between the JV Parties after taking into account a number of factors including but not limited to the operations and administration of the JV Business, the capital requirements for establishment of the Schools and the revenue expected to be derived from the JV Business.

Reserved matters : Certain actions by JV Company shall require prior written approval by both Peaceful Success and JV Partner. Such actions include but not limited to the change of the general nature of the JV Business, establishment of any new School, any change in the authorized or issued share capital of JV Company, an initial public offering and listing of the equity securities of JV Company.

Restrictive covenants : Each of Peaceful Success and the Company has undertaken, inter alia, that it shall not carry on within Hong Kong or elsewhere a business similar to or which competes with the JV Business during the course of the Shareholders' Agreement, unless with the prior written consent of JV Partner.

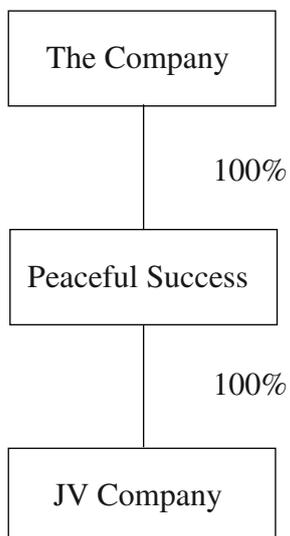
Save as otherwise agreed by JV Company, during the course of the Shareholders' Agreement, JV Partner shall not and, as long as the YY Lam Service Agreement is subsisting, it shall procure that its Affiliates will not (a) teach the Courses targeted at HKDSE students other than the courses operated at or through the Schools; and (b) if the Schools should operate any other private supplementary courses for any other school subject(s) and/or which are targeted at Hong Kong students of any other level(s), be engaged in the management or teaching of private supplementary courses for such subject(s) targeted at such student(s) at such level(s) in Hong Kong other than the courses operated at or through the Schools.

- Restrictions on transfer of JV Shares** : Each of Peaceful Success and JV Partner may sell, transfer or assign any of its JV Shares to any person with the prior written consent of the other but Peaceful Success must retain at least 51% shareholding in JV Company and remain a wholly-owned subsidiary of the Company, at all times. Any proposed sale of all of its JV Shares by Peaceful Success to any third party would be subject to the tag along right of JV Partner set out in the Shareholders' Agreement.
- Guarantee** : The Company has guaranteed to JV Partner and JV Company the full, due and punctual performance and observance by Peaceful Success of all its obligations, commitments and undertakings under or pursuant to the Shareholders' Agreement.
- Termination rights** : A non-defaulting shareholder of JV Company shall be entitled to terminate the Shareholders' Agreement by written notice if the other shareholder of JV Company: (a) commits any material breach under the Shareholders' Agreement and fails to remedy such breach within a prescribed period; (b) becomes insolvent; or (c) undergoes a direct or indirect change in control. JV Partner shall also have the right to terminate the Shareholders' Agreement upon the expiry or termination of the YY Lam Service Agreement with immediate effect.

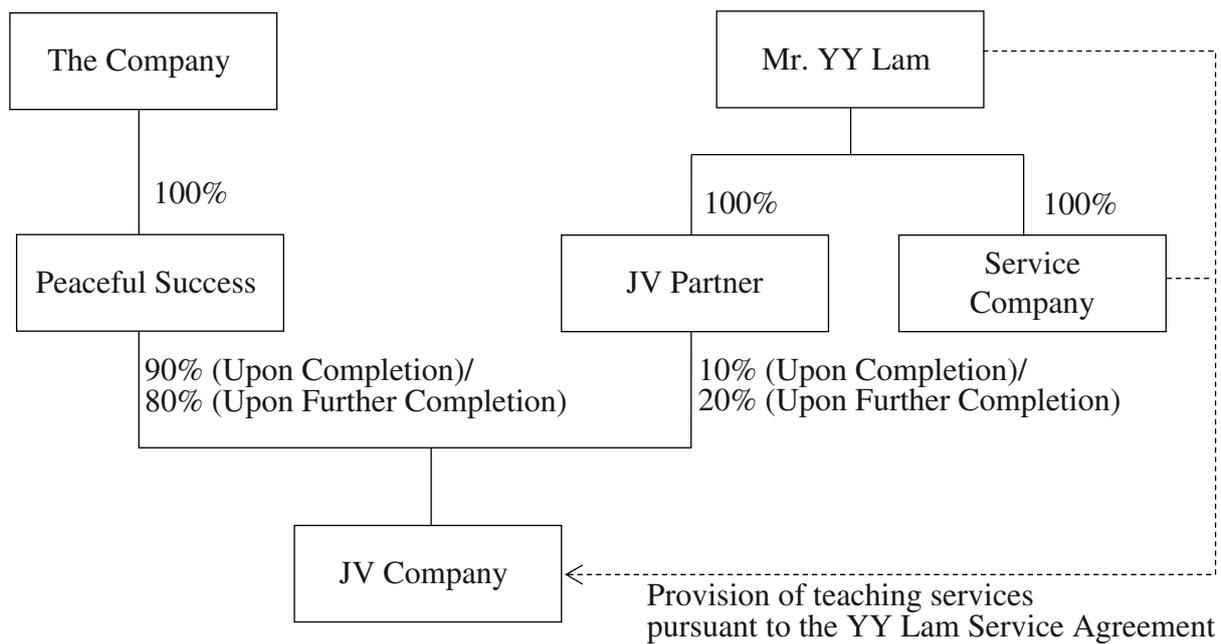
Changes in the Shareholding Structure of JV Company

The following diagrams illustrate the shareholding structure of JV Company (i) as at the date of this announcement; and (ii) immediately upon Completion and Further Completion (assuming that there will be no change in shareholding of JV Company between the date of this announcement and the date of Further Completion save for the effects of the Subscription and the Further Subscription).

(1) As at the date of this announcement



(2) Immediately upon Completion and Further Completion



THE YY LAM SERVICE AGREEMENT

In connection with the Shareholders' Agreement, the Company and JV Company entered into the YY Lam Service Agreement with Service Company (a company wholly-owned by Mr. YY Lam) and Mr. YY Lam on 7 September 2021. Pursuant to the YY Lam Service Agreement, Service Company has agreed to (i) provide teaching services at the Schools for the Courses targeted at HKDSE students during the Term; and (ii) engage Mr. YY Lam as the designated tutor to teach the Courses.

Principal terms of the YY Lam Service Agreement are summarised below:–

Date : 7 September 2021

Parties : (1) The Company; (2) JV Company; (3) Service Company; and (4) Mr. YY Lam.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Service Company and its ultimate beneficial owner, namely Mr. YY Lam, are Independent Third Parties.

Term : Commencing from 1 December 2021 and expiring on 31 August 2024.

Extension of the Term : If the monthly average number of students enrolled in courses operated at or through the Schools and rendered by Service Company and/or Mr. YY Lam during the period from 1 August 2022 to 31 July 2023 shall exceed a certain agreed number, JV Company shall have the option to extend the Term for a period of 2 years provided that the Company shall pay the extension bonus of HK\$5,000,000 (“**Extension Bonus**”) to Mr. YY Lam on or before 1 December 2024.

Service Fee : JV Company shall pay to Service Company service fees equivalent to 45% of the total tuition fee actually received by JV Company for the Courses rendered by Service Company (the “**Service Fees**”).

Salary Contribution : During the Term, JV Company shall bear Service Company's costs and expenses for engaging assistants to assist Mr. YY Lam in the provision of the Services up to the maximum amount of HK\$600,000 per month (the “**Salary Contribution**”).

- Sign-on Bonuses** : The Company has agreed to pay to Mr. YY Lam and Service Company the sign-on bonuses (the “**Sign-on Bonuses**”) in the total sum of HK\$25,900,000 as follows: (i) as to HK\$10,000,000 shall be paid to Mr. YY Lam upon signing of the Shareholders’ Agreement; (ii) as to HK\$900,000 shall be paid to the Service Company on or before the commencement date of the Term (i.e. 1 December 2021); and (iii) as to HK\$15,000,000 shall be paid to Mr. YY Lam either (a) on or before 31 May 2022; or (b) immediately upon Service Company and/or Mr. YY Lam exercising their right to terminate the YY Lam Service Agreement due to the occurrence of any events of default on the part of JV Company and/or the Company.
- Advertising** : Service Company shall reimburse JV Company for all the advertising and marketing expenses incurred by JV Company during the period between 1 December 2021 and 31 August 2022. Based on estimation of the Board, such expenses will be no less than HK\$5 million.
- Transitional arrangement** : JV Company acknowledges that, during the period from 1 September 2021 to 30 April 2022 (the “**Transition Period**”), Mr. YY Lam shall be engaged as the designated tutor at another education group in Hong Kong (the “**Education Group**”) to teach a limited number of courses, certain of which will be launched after commencement of the Transition Period. JV Company agrees that Mr. YY Lam will not be required to teach any Courses targeted at Secondary Six HKDSE students at the Schools during the Transition Period.
- Restrictive covenants** : JV Company shall not engage or employ any other persons to teach the Courses at the Schools and/or seek or accept services from other providers similar to the Services save and except with the prior written approval of Service Company and Mr. YY Lam.
- Save as disclosed in the section headed “*Transitional arrangement*” above, Mr. YY Lam shall not, inter alia, teach private supplementary Chinese Language courses targeted at HKDSE students other than the Courses operated at or through the Schools.
- Guarantee** : The Company has guaranteed to Service Company and Mr. YY Lam the due and punctual performance and observance of the obligations of JV Company under the YY Lam Service Agreement.

Termination rights : Service Company and/or Mr. YY Lam shall have the right to terminate the YY Lam Service Agreement if, inter alia: (a) JV Company fails to establish or operate the Schools in accordance with the terms of the YY Lam Service Agreement; or (b) JV Company and/or the Company fail(s) to comply with its/their payment obligations or is/are otherwise in material breach of its/their obligations under the YY Lam Service Agreement.

The Company and/or JV Company shall have the right to terminate the YY Lam Service Agreement if, inter alia, (a) Service Company and/or Mr. YY Lam commits a material breach of the YY Lam Service Agreement; (b) Mr. YY Lam shall be guilty of any act of dishonesty or other misconduct or gross neglect of duty or any act of omission which shall have caused significant loss or damage to JV Company and/or the Schools; (c) Mr. YY Lam shall lose any of the requisite qualifications or registrations (if required) to enable him to lawfully provide the services as stipulated under the YY Lam Service Agreement.

Basis of determination of consideration

The Service Fee, the Salary Contribution, the Sign-on Bonuses and the Extension Bonus were determined after arms' length negotiations among the Company, JV Company, Service Company and Mr. YY Lam on normal commercial terms with reference to (i) Mr. YY Lam's extensive experience in private supplementary education services industry; (ii) the well-established reputation of Mr. YY Lam and his team that JV Company will be able to leverage in promoting the Schools; (iii) the historical enrolment records of the courses rendered by Mr. YY Lam and his team; (iv) the revenue sharing scheme and bonus plan commonly adopted in the private supplementary education industry; and (v) other reasons and benefits as stated under the section headed "*REASONS FOR AND BENEFITS OF THE TRANSACTIONS*". In view of the above, the Directors consider that the Service Fee, the Salary Contribution, the Sign-on Bonuses and the Extension Bonus are fair and reasonable.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

Mr. YY Lam has been well known in the market as the "Star Tutor" with a proven prominent track record of helping his students to improve their examination results in Chinese Language. Mr. YY Lam and his team have also gained a reputation for self-designed teaching methods, course contents and learning tools for many years. The Board considers that the extensive experience, reputation and student base of Mr. YY Lam and his team will provide the Group with invaluable insights and resources to tap into the private supplementary education services industry.

Pursuant to the Shareholders' Agreement, Mr. YY Lam will be appointed as the General Manager of JV Company and will provide guidance and directions regarding (i) the establishment, registration and operation of the Schools; and (ii) the administration and operation of the Courses. The Board believes that, with the management commitment of Mr. YY Lam, the Group's exposure to operational risk and regulatory compliance risk relating to the JV Business will be effectively minimized.

The Board further considers that the right to Further Subscription under the Shareholders' Agreement and the performance based service fee structure under the YY Lam Service Agreement provide strong incentive for Service Company and Mr. YY Lam to develop and deliver high-quality teaching services and such arrangement enables the Group to operate the JV Business in a cost-effective manner.

Last but not least, the Group has been upholding the social responsibility as its core value while Mr. YY Lam has devoted great efforts to cultivate next generation with high-quality education content. The Group and Mr. YY Lam are sharing the common goal of contributing the development and future of the community. The Board considers that the cooperation with Mr. YY Lam does not merely broaden the Group's income source but also fulfills its corporate social responsibility and enhancing the corporate image of the Group.

The Group has been striving to enhance profitability to create greater value for Shareholders. With the persevering efforts of the Directors, the Group's financial performance has been gradually improved and recorded a turnaround to net profit in the last financial year. Furthermore, without prejudice to the sustained business development, the Group has been sharing the business return with investors by dividend distribution since the third quarter of the previous financial year. The Board considers that the new business of the private supplementary education services will further enhance the company's financial performance as well as the value of the Shareholders.

Based on the above, the Board is of the view that the terms of the Shareholders' Agreement and the YY Lam Service Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

FINANCIAL EFFECT OF THE ENTERING INTO THE SHAREHOLDERS' AGREEMENT AND THE YY LAM SERVICE AGREEMENT

Immediately upon Completion, the Company's interest in JV Company will be decreased from 100% to 90%. Upon Further Completion, the Company's interest in JV Company will further reduce to 80%. As JV Company will remain as a subsidiary of the Company, the deemed disposal of 10% or 20% equity interest in JV Company will not give rise to any gain or losses to the Group's consolidated statement of comprehensive income. The financial results of JV Company will continue to be consolidated into the financial statements of the Group upon Completion.

INFORMATION OF THE PARTIES TO THE SHAREHOLDERS' AGREEMENT AND THE YY LAM SERVICE AGREEMENT

Information of the Company

The Company is an investment holding company. The Group is principally engaged in (i) provision of financial quotient and investment education courses; (ii) the manufacturing and sales of OEM garment products; (iii) money lending; (iv) retailing of garment products under the Group's own brand and high-end fashion brand; and (v) property investment.

Information of Peaceful Success

Peaceful Success is an investment holding company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company.

Information of JV Company

JV Company is an investment holding company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

Set out below is a summary of the key financial data of JV Company for the two financial years ended 31 March 2020 and 2021:

	For the year ended	
	31 March 2021 HK\$ (unaudited)	31 March 2020 HK\$ (unaudited)
Net (loss) before taxation	(15,500)	(21,453)
Net (loss) after taxation	(15,500)	(21,453)

As at 31 July 2021, the unaudited net asset value of JV Company was approximately HK\$800.

Information of JV Partner

JV Partner is an investment holding company incorporated in Hong Kong with limited liability. The entire equity interest of JV Partner is owned by Mr. YY Lam as at the date of this announcement.

Information of Service Company

Service Company is a company incorporated in Hong Kong with limited liability, and is principally engaged in provision of private supplementary secondary education services in Hong Kong. As at the date of this announcement, the entire equity interest of Service Company is owned by Mr. YY Lam.

Information of Mr. YY Lam

Mr. Lam Yat Yan (林溢欣) is a prominent Chinese language private tutor in Hong Kong. Mr. YY Lam obtained 3 A-grades in The Hong Kong Advanced Level Examinations and was admitted to the Department of Chinese Language and Literature of The Chinese University of Hong Kong in the same year. He graduated with first-class honors in 2009 (only six out of over a hundred students received first-class degrees in the same year). After two years, he received his Master of Philosophy degree in Chinese Language and Literature with distinction. He then entered the private education industry and engaged in front-line teaching. In ten years' time, he has taught more than 150,000 students, and has cultivated numerous top scholars and 5** students. Mr. YY Lam is one of the most outstanding tutors in the industry.

Mr. YY Lam is also a well-known author and writer in Hong Kong and has published books as well as articles in newspapers, international academic journals and magazines, including the Journal of Chinese Studies (《中國文化研究所學報》), The World of Chinese Language and Literature (《國文天地》), 《九州學林》 and Journal of Ancient Books Collation and Studies (《古籍整理研究學刊》), etc., and covered topics such as ancient Chinese documents, Chinese literature, Chinese culture and commentary on news and current affairs. In 2014, Mr. YY Lam founded the cultural magazine 《藝文青》 to promote Chinese language and culture. In 2021, Mr. YY Lam was engaged by The Chinese University of Hong Kong to teach Chinese Language courses on a part-time basis.

GEM LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Affiliates”	in relation to a corporation, any person that directly or indirectly controls, is controlled by or is under common control (having the meaning ascribed to it under the Shareholders' Agreement) with such corporation
“Board”	the board of Directors

“Company”	Legendary Group Limited (創天傳承集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM (stock code: 8195)
“Completion”	completion of the Subscription, which shall take place on 1 October 2021
“Courses”	private supplemental Chinese Language courses targeted at Hong Kong secondary school students (including but not limited to HKDSE students)
“Director(s)”	the director(s) of the Company
“Education Ordinance”	Education Ordinance (Chapter 279 of the Laws of Hong Kong)
“Further Completion”	completion of the Further Subscription, which shall take place on 1 October 2022
“Further Subscription”	the subscription of such number of new JV Shares by JV Partner for a subscription price of HK\$100, which would increase the shareholding in JV Company of JV Partner to 20% of the then issued share capital of JV Company, on 1 October 2022
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the listing of Securities on GEM
“General Manager”	the principal management executive of JV Company, as nominated by JV Partner
“Group”	the Company and its subsidiaries
“HKDSE”	Hong Kong Diploma of Secondary Education
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons (having the meaning ascribed to it under the GEM Listing Rules)
“JV Board”	the board of directors of JV Company

“JV Business”	provision of private supplementary education services and ancillary education services and/or products and such other related businesses from time to time approved by the JV Board
“JV Company”	Maxi Chain Enterprises Limited (嘉靖企業有限公司), a company incorporated in Hong Kong with limited liability, which is wholly-owned by Peaceful Success as at the date of this announcement
“JV Partner”	Defining Limited, a company incorporated in Hong Kong with limited liability
“JV Share(s)”	the ordinary share(s) in the share capital of JV Company from time to time
“Mr. YY Lam”	Mr. Lam Yat Yan (林溢欣)
“Peaceful Success”	Peaceful Success Enterprises Limited (盛安企業有限公司), a company incorporated in the British Virgin Islands with limited liability, being a direct wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
“School(s)”	educational institution(s) in Hong Kong to be established by JV Company
“Services”	services to be provided by Service Company with Mr. YY Lam as the designated tutor, to JV Company pursuant to the YY Lam Service Agreement, including the provision of teaching services at the Schools for the Courses
“Service Company”	Sure Wisdom Corporation Limited (必智有限公司), a company incorporated in Hong Kong with limited liability
“Shareholders”	the holders of the shares of the Company
“Shareholders’ Agreement”	the shareholders’ agreement dated 7 September 2021 and entered into amongst the Company, Peaceful Success, JV Partner, and JV Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of 100 new JV Shares by JV Partner for a subscription price of HK\$100, representing 10% of the then issued share capital of JV Company upon Completion

“Term”	term of the YY Lam Service Agreement which shall commence from 1 December 2021 and expire on 31 August 2024
“Transactions”	the transactions contemplated under the Shareholders’ Agreement and the YY Lam Service Agreement
“YY Lam Service Agreement”	the YY Lam Service Agreement dated 7 September 2021 and entered into amongst JV Company, Service Company, Mr. YY Lam and the Company

By order of the Board
Legendary Group Limited
Yuen Yu Sum
Chairman and Executive Director

Hong Kong, 7 September 2021

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Yuen Yu Sum (Chairman), Mr. Lau Chun Kavan and Mr. Chan Lap Jin Kevin; one non-executive Director, namely, Mr. Law Wing Chung; and four independent non-executive Directors, namely, Mr. Chung Chin Kwan, Mr. Chan Kim Fai Eddie, Mr. Ng Chi Ho Dennis and Mr. Chung Kwok Pan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.lna.com.hk>.