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**Join-Share 中盈盛达**

共创 共享 共成长

**Guangdong Join-Share Financing Guarantee Investment Co., Ltd.\***

**廣東中盈盛達融資擔保投資股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1543)**

## **PROPOSED ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC**

The Board announces that the Board resolved to submit to the Shareholders for consideration and approval of the proposed issue of Domestic Corporate Bonds with an aggregate principal amount of not more than RMB500 million in multiple tranches at the EGM. The Company intends to utilise all the proceeds from the issuance of Domestic Corporate Bonds for the replenishment of working capital of the Company.

A circular containing the details of the proposed issue of Domestic Corporate Bonds and a notice convening the EGM will be dispatched to the Shareholders as soon as practicable.

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **1. Background**

The Board hereby announces that on 18 June 2020, the Board resolved to submit to the Shareholders for consideration and approval of the proposed issue of Domestic Corporate Bonds with an aggregate principal amount of not more than RMB500 million in multiple tranches at the EGM. The Company intends to utilise all the proceeds from the issuance of Domestic Corporate Bonds for the replenishment of working capital of the Company.

According to the PRC Company Law and the Articles of Association, the Bond Issue is subject to the approval of the Shareholders. The timetable for the Bond Issue depends on the conditions of the PRC bond market and the capital needs of the Company.

## 2. Proposed issue of Domestic Corporate Bonds

The proposed arrangements for the Bond Issue are as follows (such arrangements are subject to the conditions of the PRC bond market):

- (1) Issuer: The Company
- (2) Size of Bond Issue: The aggregate principal amount shall not be more than RMB500 million, and shall be issued in multiple tranches. The issue size of the first tranche of the Bond Issue shall not be more than RMB300 million
- (3) Arrangement: The Domestic Corporate Bonds are to be publicly issued
- (4) Maturity: The Domestic Corporate Bonds may have single or multiple maturity periods, but each maturity period shall not exceed a period of 5 years. The specific maturity and the issue size of each maturity shall seek the authority granted to the Board at the EGM, or within the scope as permitted by the executive Director at the EGM and the lead underwriter concerning the Bond Issue according to the market conditions at the time of issue
- (5) Use of proceeds: After deducting issuance expenses, all the proceeds will be used for the replenishment of working capital of the Company
- (6) Terms of validity of resolutions: The term of validity of the special resolutions in relation to the Bond Issue passed at EGM will expire 36 months after the date of the passing of such resolutions
- (7) Coupon rate and rate determination mechanism: The coupon rate is at fixed interest rate. The exact coupon rate and coupon payment method of the Domestic Corporate Bonds will be determined by the Company and the lead underwriter according to the market conditions
- (8) Guarantee arrangement: The Bond Issue will be guaranteed by a financial guarantor with AAA credit rating. The specific guarantee arrangement shall be determined by the person(s) authorised by the Shareholders at the EGM and the guarantor
- (9) Intended place for listing: Subject to the satisfaction of the relevant listing requirements, the Company will apply for listing of the Domestic Corporate Bonds on the Shenzhen Stock Exchange as approved by CSRC and/or other relevant regulatory authorities.

### **3. Granting of authorisation to the executive Director to deal with matters relating to the Bond Issue**

To ensure the smooth issue of the proposed Domestic Corporate Bonds, it is proposed that Mr. Wu Liejin, the executive Director, be authorised by the Shareholders at the EGM generally and unconditionally to handle all matters relating to the Bond Issue, which includes but not limited to the following:

- (a) to the extent as permitted by the relevant laws, regulations and normative documents in the PRC, and based on the actual conditions of the Company and the specific market conditions, to determine the specific issue plan of the issue of the Domestic Corporate Bonds and to revise and adjust the terms of issue in connection with the issue of the Domestic Corporate Bonds, including but not limited to the specific issue size, maturity, type of corporate bonds, coupon rate or its determination mechanism, issue price, issue method, issue targets, timing of issue, whether to issue in multiple tranches and number of tranches, use of proceeds from the Bond Issue, whether to include repurchase and redemption clauses, guarantee arrangement, credit rating arrangement, principal repayment and interest payment terms and manners, venue of listing and all other matters in connection with the terms of issue;
- (b) to determine and engage the intermediaries for the issue of the Domestic Corporate Bonds;
- (c) to determine and engage bond trustee, execute bond trust management agreement and to formulate meeting rules for the bondholders;
- (d) to execute all legal documents in connection with the issue of the Domestic Corporate Bonds;
- (e) to make corresponding adjustments to the relevant matters regarding the public issue of the Domestic Corporate Bonds in accordance with the opinion of the regulatory authorities, change in policies or change in market conditions or to determine whether to continue to proceed with the issue of the Domestic Corporate Bonds according to actual situations, save for matters that are subject to re-voting at the general meeting pursuant to the relevant laws, regulations and the Articles of Association;
- (f) to handle the reporting, issue and listing matters of the public issue of the Domestic Corporate Bonds, including but not limited to approving, executing, enforcing, amending and completing all necessary contracts, agreements and documents, and disclosing relevant information pursuant to applicable regulatory requirements, and to approve, confirm and ratify such actions and steps as undertaken by the Board or authorised executive Director in relation to the Bond Issue; and

- (g) to handle other matters related to the public issue of the Domestic Corporate Bonds.

The term of the authorisation shall commence from the date of passing of the resolution regarding the issue of the Domestic Corporate Bonds at the general meeting till the completion of all the authorised matters mentioned above.

#### **4. Measures to be implemented by the Company to repay the Domestic Corporate Bonds**

To propose for approval by the Shareholders at the EGM to authorise the person(s) authorised by the Shareholders at the EGM, to take the following protection measures, at a minimum, in the event the Company expects it to be unable to repay the principal and interests of the Domestic Corporate Bonds or is unable to repay the same as and when they fall due:

- (a) cease to distribute profits to Shareholders;
- (b) suspend the implementation of projects which involve capital expenditures such as significant external investments, mergers and acquisitions;
- (c) reduce or suspend the payment of salaries and bonus to the directors and senior management of the Company; and
- (d) disallow any job transfer of the key responsible personnel.

#### **5. Reasons for the proposed Bond Issue and benefits to the Shareholders**

The Board considers that the proposed Bond Issue will optimise the Group's existing financial structure and effectively lower the internal financing costs of the Group. The proposed Bond Issue will enhance the brand awareness of the Company and will not have a dilutive impact on the shareholding of the existing Shareholders. Therefore, the Board considers that the proposed Bond Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

#### **EXTRAORDINARY GENERAL MEETING**

An EGM will be convened to approve the proposed issue of the Domestic Corporate Bonds by special resolutions. A circular containing, among other things, details of the above resolutions together with the notice of the general meeting will be despatched to the Shareholders in due course.

**The Bond Issue is subject to, among others, the approval of the Shareholders at the EGM, the approval by CSRC and/or other relevant regulatory authorities and market conditions and may or may not proceed. Shareholders and investors should therefore exercise caution in dealing in the Company's shares.**

## DEFINITIONS

In this announcement, unless otherwise defined, the capitalised terms shall have the following meanings:

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Bond Issue”	the proposed issue of Domestic Corporate Bonds by the Company
“Company”	Guangdong Join-Share Financing Guarantee Investment Co., Ltd.* (廣東中盈盛達融資擔保投資股份有限公司), formerly known as Foshan Yingda Guarantee Investment Co., Ltd., a joint stock limited company incorporated in the PRC on 23 May 2003 and the H Shares of which are listed on the Stock Exchange (Stock Code: 1543)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Corporate Bonds”	the domestic corporate bonds with an aggregate principal amount of not more than RMB500 million as proposed under a public issuance by the Company
“EGM”	the Extraordinary General Meeting to be held to approve the Bond Issue and the authorisation to the Board in relation to the Bond Issue
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Guangdong Join-Share Financing Guarantee Investment Co., Ltd.\***  
**Wu Liejin**  
*Chairman*

Foshan, the PRC, 18 June 2020

*As of the date of this announcement, the executive director of the Company is Mr. Wu Liejin (Chairman); the non-executive directors of the Company are Mr. Zhang Minming, Ms. Gu Lidan, Mr. Luo Zhenqing, Mr. Huang Guoshen and Mr. Zhang Deben; and the independent non-executive directors of the Company are Mr. Wu Xiangneng, Mr. Leung Hon Man and Mr. Liu Heng.*

*\* For identification purpose only*

**No assurance is given that any formal agreement will be entered into, but the Company will provide relevant updates concerning this matter from time to time when appropriate. Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.**