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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)

**INSIDE INFORMATION
UPDATE ON THE PROPOSED INVESTOR SUBSCRIPTION,
THE PROPOSED MANAGEMENT SUBSCRIPTION AND THE
PROPOSED ISSUE OF THE INVESTOR SUBSCRIPTION SHARES
AND THE MANAGEMENT SUBSCRIPTION SHARES UNDER
SPECIFIC MANDATE**

PRICE DETERMINATION AGREEMENT

On 29 June 2017 (after trading hours), the Company and the Subscriber entered into the Price Determination Agreement pursuant to which the parties agreed to fix the Investor Subscription Price at RMB1.264 (approximately HK\$1.428) per Investor Subscription Domestic Share.

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

Reference is made to the announcement of the Company dated 15 May 2017 (the “**Announcement**”) and the announcement of the Company dated 25 May 2017 relating to, among other things, the proposed Investor Subscription, the proposed Management Subscription and the proposed issue of the Investor Subscription Shares and the Management Subscription Shares under Specific Mandate. Unless otherwise stated herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

Pursuant to the Investor Subscription Agreement entered into between the Company and the Subscriber on 15 May 2017, the Subscriber has conditionally agreed to subscribe for an aggregate of 223,096,020 new Domestic Shares and 74,364,000 new H Shares.

Price Determination Agreement

As disclosed in the Announcement, the Investor Subscription Price for the Investor Subscription Domestic Shares to be issued is determined with reference to, among other things, the net asset value of the Company per Share as at 31 December 2016 based on the data derived from (i) the audited consolidated financial information of the Company for the year ended 31 December 2016; and (ii) the Valuation Report to be Issued by an independent valuer nominated by the Subscriber, together with other considerations including the recent trading performance of the H Shares, the prevailing market conditions, the non-listing status of the new Domestic Shares, the dividends and/or distribution payable by the Company since 31 December 2016 and up to the issue of the Investor Subscription Domestic Shares, and the strategic benefit afforded to the Company that may result from the proposed Investor Subscription.

The Board is pleased to announce that the Valuation Report was issued by an independent valuer on 23 June 2017 and such report has been filed with the State-owned Assets Supervision and Administration Commission of Foshan People's Government (佛山市人民政府國有資產監督管理委員會). Accordingly, on 29 June 2017 (after trading hours), the Company and the Subscriber entered into the price determination agreement (the "**Price Determination Agreement**"), pursuant to which the parties thereto agreed to fix the Investor Subscription Price at RMB1.264 (approximately HK\$1.428) per Investor Subscription Domestic Share.

Further, under the Price Determination Agreement, in the circumstances where the Board declares any dividend or distribution in respect of the financial year ended 31 December 2017 (the "**Potential 2017 Dividend**"), the Subscriber undertakes (and will procure its nominee to undertake) that it and its nominee (in the capacity as the holder(s) of the Investor Subscription Domestic Shares) will waive their respective entitlement to, and will not participate in, such portion of the Potential 2017 Dividend to the extent that such portion is attributable to the net profit of the Company for the period from 1 January 2017 to 30 June 2017 (both days inclusive) (the "**Relevant Period**") and is attaching to the Investor Subscription Domestic Shares. In the event that the Company convenes any Shareholders' meeting(s) to consider, and if thought fit, to approve, the resolution(s) in relation to the Potential 2017 Dividend, the Subscriber undertakes (and will procure its nominee to undertake) that (i) it and its nominee will not raise objection to the exclusion of their rights to participate in the relevant portion of the dividend and/or distribution declared which is attributable to the net profit of the Company for the Relevant Period and is attaching to the Investor Subscription Domestic Shares; and (ii) it and its nominee will vote in favour of the relevant resolution(s) if it has voting rights.

For the avoidance of doubt, the Board is not obliged to declare any Potential 2017 Dividend, which is subject to its absolute discretion having considered, amongst others, the Group's results of operations, cash flows and financial conditions, operating and capital requirements and other relevant factors prevailing at the time.

Management Subscription Price

Pursuant to the Management Subscription Agreements entered into between the Company and the Management Subscribers on 15 May 2017, these Management Subscribers have respectively agreed to subscribe for an aggregate of 10,000,000 new Domestic Shares. The Management Subscription Price per Management Subscription Share is to be determined by reference to the subscription price for each Investor Subscription Domestic Share offered to the Subscriber under the Investor Subscription Agreement. Therefore, the Management Subscription Price per Management Subscription Share is determined to be RMB1.264 (approximately HK\$1.428).

Investor Subscription Price for the Investor Subscription Domestic Shares and Management Subscription Price

The Investor Subscription Price of RMB1.264 (approximately HK\$1.428) per Investor Subscription Domestic Share and the Management Subscription Price of RMB1.264 (approximately HK\$1.428) per Management Subscription Share represents:

- (i) a premium of approximately 5.00% to the closing price of HK\$1.36 per H Share as quoted on the Stock Exchange on the last trading day immediately prior to 29 June 2017, being the date of the Price Determination Agreement (the “**Price Determination Date**”);
- (ii) a premium of approximately 4.23% to the average closing price of HK\$1.37 per H Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Price Determination Date;
- (iii) a premium of approximately 1.28% to the average closing price of HK\$1.41 per H Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to the Price Determination Date; and
- (iv) a discount of approximately 0.83% to the average closing price of HK\$1.44 per H Share as quoted on the Stock Exchange for the twenty (20) consecutive trading days immediately prior to the Price Determination Date.

Gross proceeds from the issue of the Investor Subscription Domestic Shares and the Management Subscription Shares

Assuming the Investor Subscription is successfully completed in accordance with the terms of the Investor Subscription Agreement, the issue of 223,096,020 new Domestic Shares under the Investor Subscription Agreement is expected to raise gross proceeds of approximately RMB281.99 million (approximately HK\$318.61 million) considering that the Investor Subscription Price is fixed at RMB1.264 per Investor Domestic Share. The aggregated amount of the gross proceeds and net proceeds (after deducting relevant expenses) from the issue of the Investor Subscription Shares (including the Investor Subscription Domestic Shares and the Investor Subscription H Shares) is expected to be approximately RMB375.45 million (approximately HK\$424.21 million) and approximately RMB371.65 million (approximately HK\$419.91 million), respectively.

Assuming the Management Subscriptions are successfully completed in accordance with the terms of the Management Subscription Agreements, the issue of an aggregate of 10,000,000 new Domestic Shares under the Management Subscription Agreements is expected to raise gross proceeds of approximately RMB12.64 million (approximately HK\$14.28 million) and net proceeds of approximately RMB12.51 million (approximately HK\$14.14 million) (after deducting relevant expenses) considering that the Management Subscription Price is fixed at RMB1.264 per Management Subscription Share.

Other information

As set out in the Announcement, immediately after Investor Subscription Completion, the number of H Shares to be held in the hands of the public will fall below the minimum requirement of 25% as required by Rule 8.08 of the Listing Rules.

The Company is in the course of selecting a placing agent and will enter into a placing agreement with that placing agent upon reaching consensus on the commercial terms on the proposed placing of new H Shares with a view to maintaining the minimum 25% public float requirement under Rule 8.08(1)(a) of the Listing Rules.

Further announcement(s) in respect of the Company's proposal to maintain or restore its public float will be made as and when appropriate pursuant to the Listing Rules.

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

Foshan, the PRC, 29 June 2017

As of the date of this announcement, the executive Directors are Mr. Wu Liejin (Chairman) and Mr. Xie Yongdong; the non-executive Directors are Mr. Zhang Minming, Ms. Gu Lidan, Ms. Wu Yanfen and Mr. Huang Guoshen; and the independent non-executive Directors are Mr. Wu Xiangneng, Mr. Leung Hon Man and Mr. Liu Heng.

Unless otherwise specified in this announcement and for the purpose of illustration only, RMB has been translated to HK\$ at the rate of HK\$1=RMB0.88507. No representation has been made by the Company that any amount expressed in foreign currency in this announcement has been, could have been or could be converted at the above rate or any other rates at all.

** For identification purposes only*