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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)

DISCLOSEABLE TRANSACTION IN RELATION TO THE PROVISION OF GUARANTEE

THE GUARANTEE

On 21 August 2019, the Company and Guangzhou Resources entered into the Guarantee Limit Service Agreement pursuant to which the Company agrees to provide the Guarantee for the Maximum Guarantee Limit of RMB300,000,000 (equivalent to approximately HKD346,420,323.3) in relation to various construction projects taken up or to be taken up by Guangzhou Resources. The services fees for each individual provision of guarantee by the Company shall be agreed under each separate guarantee service agreement to be entered into between Guangzhou Resources and the Company, but in any event shall not exceed 10% of the guaranteed amount per annum and not less than RMB10,000, per each provision of guarantee.

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

Guangzhou Resources is principally engaged in the planning, design, consultation and treatment of water environment. The environmental sanitation industry is an emerging comprehensive industry in the PRC, which is currently supported by the PRC government with national policies. It is an indispensable element in urban development and operation. The Directors consider that such industry is one of the areas with market prospects and development potential in the PRC as it is in line with the green development concept in the PRC. Therefore, the Directors expect that the establishment of a long-term cooperative relationship with Guangzhou Resources will bring business opportunities for the Group to carry out more guarantee business in relation to the environmental protection industry.

Taking into account the above, the Directors, including the independent non-executive Directors, are of the view that the Guarantee Limit Service Agreement was entered into in the ordinary and usual course of business of the Company and consider that the terms of the Guarantee Limit Service Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) of the provision of the Guarantee contemplated under the Guarantee Limit Service Agreement exceeds 5% but is less than 25%, the provision of the Guarantee contemplated under the Guarantee Limit Service Agreement constitutes a discloseable transaction of the Company and therefore, is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 21 August 2019, the Company and Guangzhou Resources entered into the Guarantee Limit Service Agreement pursuant to which the Company agrees to provide the Guarantee.

THE GUARANTEE LIMIT SERVICE AGREEMENT

The principal terms of the Guarantee Limit Service Agreement are set out as follows:

- Date : 21 August 2019
- Parties : (a) The Company, as guarantor; and
(b) Guangzhou Resources, as warrantee
- Service term of the Guarantee : From 22 August 2019 to 22 August 2021 (“**Service Term**”)
- Guarantee : During the Service Term, the Company shall provide the Guarantee in favour of various beneficiaries for the Maximum Guarantee Limit of RMB300,000,000 (equivalent to approximately HKD346,420,323.3) in relation to various construction projects taken up or to be taken up by Guangzhou Resources.

Within the Service Term and the Maximum Guarantee Limit, Guangzhou Resources is entitled to have recurrent utilisation of the Maximum Guarantee Limit. For each individual guarantee, Guangzhou Resources shall enter into a separate guarantee service agreement with the Company.

Service fees : The services fees for each individual provision of guarantee by the Company shall be agreed under each separate guarantee service agreement to be entered into between Guangzhou Resources and the Company, but in any event shall not exceed 10% of the guaranteed amount per annum and not less than RMB10,000, per each provision of guarantee.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Guangzhou Resources and its ultimate beneficial owners are third parties independent of the Company and its connected persons and any of their respective associates.

INFORMATION OF GUANGZHOU RESOURCES

Guangzhou Resources is a joint stock limited company incorporated in the PRC with a registered capital of RMB132,485,080. Guangzhou Resources is principally engaged in the planning, design, consultation and treatment of water environment. It is experienced in water quality improvement and management, urban water ecological restoration, sewage treatment, emergency treatment and long-term maintenance of water environment and water source protection.

INFORMATION OF THE COMPANY

The Company is a financial guarantee services provider in the PRC. It is principally engaged in the provision of (i) guarantees on behalf of small and medium enterprises ("SMEs") and individual business proprietors to guarantee the repayment of their loans or performance of their certain contractual obligations, (ii) entrusted loans for SMEs and individual business proprietors, and (iii) micro-lending for SMEs, individual business proprietors and individuals.

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

As mentioned above, Guangzhou Resources is principally engaged in the planning, design, consultation and treatment of water environment. The environmental sanitation industry is an emerging comprehensive industry in the PRC, which is currently supported by the PRC government with national policies. It is an indispensable element in urban development and operation. The Directors consider that such industry is one of the areas with market prospects and development potential in the PRC as it is in line with the green

development concept in the PRC. Therefore, the Directors expect that the establishment of a long-term cooperative relationship with Guangzhou Resources will bring business opportunities for the Group to carry out more guarantee business in relation to the environmental protection industry.

Taking into account the above, the Directors, including the independent non-executive Directors, are of the view that the Guarantee Limit Service Agreement was entered into in the ordinary and usual course of business of the Company and consider that the terms of the Guarantee Limit Service Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

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| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors of 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), a joint stock limited company incorporated in the PRC and the H Shares of which are listed on the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “Group” | collectively, the Company and its subsidiaries |
| “Guangzhou Resources” | Guangzhou Resources Environmental Protection Technology Co., Ltd.* (廣州資源環保科技股份有限公司), a joint stock limited company incorporated in the PRC |
| “Guarantee” | the guarantee to be provided by the Company for the Maximum Guarantee Limit pursuant to the Guarantee Limit Service Agreement |

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| “Guarantee Limit Service Agreement” | the maximum guarantee limit service agreement dated 21 August 2019 and entered into between the Company and Guangzhou Resources in relation to the provision of the Guarantee |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the 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 |
| “Maximum Guarantee Limit” | a maximum guarantee limit of RMB300,000,000 (equivalent to approximately HKD346,420,323.3) as agreed under the Guarantee Limit Service Agreement |
| “PRC” | the People’s Republic of China |
| “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 |
| “%” | per cent. |

For the purpose of this announcement and for illustrative purpose only, conversion of RMB into HK\$ is based on the approximate exchange rate of HK\$1:RMB0.866.

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

Foshan, the PRC, 21 August 2019

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

* *for identification purpose only*