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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)

**CONNECTED AND DISCLOSEABLE TRANSACTION IN
RELATION TO THE PROVISION OF GUARANTEE**

THE GUARANTEE

On 6 February 2024, the Company (as guarantor) and Zhongshan Torch Development Zone Construction Development (as warrantee) entered into the Maximum Guarantee Service Agreement, pursuant to which the Company and its subsidiaries shall provide the Guarantee within the Maximum Guarantee Limit of RMB260 million. The service fee for each individual provision of Guarantee by the Group Company shall be agreed under separate guarantee service agreement to be entered into between the Group Company and Zhongshan Torch Development Zone Construction Development Group Company, but in any event shall not exceed 4.8% of the guaranteed amount per annum.

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

Zhongshan Torch Gaojishu Industrial Development Zone* (中山火炬高技術產業開發區) is a major industrial economic zone in Zhongshan City with substantial potential of regional development. Zhongshan Torch Development Zone Construction Development is an important state-owned enterprise in the Zhongshan Torch Development Zone* (中山火炬開發區), mainly engaged in land and real estate development business, of which the land development business has regional exclusivity and the real estate development business currently has a favourable scale of project reserves, which provide important resources for the development of the Group's real estate guarantee business. The provision of guarantee services to Zhongshan Torch Development Zone Construction Development Group Company will provide them with business development support, which will involve construction projects that are real estate projects developed by Zhongshan Torch Development Zone Construction Development, and at the same time, generate operating income for the Group. By providing guarantee services to Zhongshan Torch Development Zone Construction Development Group Company, the Group will build up long-term business relationship with them which will be beneficial to the strengthening of our operating business as well as to our brand building. Therefore, the Directors expect that such cooperation with Zhongshan Torch Development Zone Construction Development will bring to the Group more business opportunities to work with large and well-known companies.

Taking into account the above, the Directors, including the independent non-executive Directors, are of the view that the Maximum Guarantee Service Agreement was entered into in the ordinary and usual course of business of the Company and consider that the terms of the Maximum Guarantee 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 one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the provision of the Guarantee contemplated under the Maximum Guarantee Service Agreement exceeds 5% but is less than 25%, the provision of the Guarantee contemplated under the Maximum Guarantee 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.

Further, Zhongshan Join-Share Technology Financing Guarantee Investment Co., Ltd.* (中山中盈盛達科技融資擔保投資有限公司), one of the subsidiaries of the Company, is owned as to 43% by Zhongshan Torch Huaying Investment Co., Ltd.* (中山火炬華盈投資有限公司). Zhongshan Torch Huaying Investment Co., Ltd.*, a substantial shareholder of a subsidiary of the Company, is wholly-owned by Zhongshan Torch Public Assets Management Group Co., Ltd.* (中山火炬公有資產經營集團有限公司). Zhongshan Torch Development Zone Construction Development is a wholly-owned subsidiary of Zhongshan Torch Public Assets Management Group Co., Ltd.*. Therefore, Zhongshan Torch Development Zone Construction Development is a connected person of the Company under Chapter 14A of the Listing Rules.

As such, the provision of the Guarantee contemplated under the Maximum Guarantee Service Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rule. As (i) Zhongshan Torch Development Zone Construction Development is a connected person of the Company at the subsidiary level under the Listing Rules; (ii) the Board has approved the provision of the Guarantee; and (iii) the independent non-executive Directors have confirmed that the terms of the Maximum Guarantee Service Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, the provision of the Guarantee is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

INTRODUCTION

On 6 February 2024, the Company (as guarantor) and Zhongshan Torch Development Zone Construction Development (as warrantee) entered into the Maximum Guarantee Service Agreement, pursuant to which the Company and its subsidiaries shall provide the Guarantee within the Maximum Guarantee Limit of RMB260 million.

THE MAXIMUM GUARANTEE SERVICE AGREEMENT

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

- Date : 6 February 2024
- Parties : (a) The Company, as guarantor; and
(b) Zhongshan Torch Development Zone Construction Development, as warrantee

- Term of validity : From 31 January 2024 to 30 January 2027 (“**Valid Period**”). The service term of each individual provision of Guarantee by the Group Company shall be agreed under separate guarantee service agreement to be entered into between the Group Company and Zhongshan Torch Development Zone Construction Development Group Company.
- Guarantee : During the Valid Period, upon written application by Zhongshan Torch Development Zone Construction Development Group Company, the Group Company shall provide the Guarantee within the Maximum Guarantee Limit of RMB260 million to such Zhongshan Torch Development Zone Construction Development Group Company in favour of the relevant beneficiary(ies) for the needs of their letter of guarantee required business.
- During the Valid Period, Zhongshan Torch Development Zone Construction Development Group Company is entitled to use the Guarantee in a revolving way within the Maximum Guarantee Limit. For each individual guarantee, Zhongshan Torch Development Zone Construction Development Group Company shall enter into a separate guarantee service agreement with the Group Company.
- Service fee : The service fee for each individual provision of Guarantee by the Group Company shall be agreed under separate guarantee service agreement to be entered into between the Group Company and Zhongshan Torch Development Zone Construction Development Group Company, but in any event shall not exceed 4.8% of the guaranteed amount per annum. The service fee of each individual provision of the Guarantee will be determined after considering (i) the risk level of projects; and (ii) the prevailing market rate of service fee for provision of the same business guarantee services in that region.

INFORMATION OF ZHONGSHAN TORCH DEVELOPMENT ZONE CONSTRUCTION DEVELOPMENT

Zhongshan Torch Development Zone Construction Development is a company incorporated in the PRC with limited liability, and the registered share capital of which is RMB1 billion. The actual controller of Zhongshan Torch Development Zone Construction Development is Zhongshan Torch Gaojishu Industry Development Zone Administration Committee* (中山火炬高技術產業開發區管理委員會). Zhongshan Torch Development Zone Construction Development is principally engaged in land and real estate development, leasing, management service and valuation related business.

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 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

Zhongshan Torch Gaojishu Industrial Development Zone* (中山火炬高技術產業開發區) is a major industrial economic zone in Zhongshan City with substantial potential of regional development. Zhongshan Torch Development Zone Construction Development is an important state-owned enterprise in the Zhongshan Torch Development Zone* (中山火炬開發區), mainly engaged in land and real estate development business, of which the land development business has regional exclusivity and the real estate development business currently has a favourable scale of project reserves, which provide important resources for the development of the Group's real estate guarantee business. The provision of guarantee services to Zhongshan Torch Development Zone Construction Development Group Company will provide them with business development support, which will involve construction projects that are real estate projects developed by Zhongshan Torch Development Zone Construction Development, and at the same time, generate operating income for the Group. By providing guarantee services to Zhongshan Torch Development Zone Construction Development Group Company, the Group will build up long-term business relationship with them which will be beneficial to the strengthening of our operating business as well as to our brand building. Therefore, the Directors expect that such cooperation with Zhongshan Torch Development Zone Construction Development will bring to the Group more business opportunities to work with large and well-known companies.

Taking into account the above, the Directors, including the independent non-executive Directors, are of the view that the Maximum Guarantee Service Agreement was entered into in the ordinary and usual course of business of the Company and consider that the terms of the Maximum Guarantee 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.

None of the Directors has any material interest in the Maximum Guarantee Service Agreement and the provision of the Guarantee contemplated thereunder, and none of the Directors is required to abstain from or has abstained from voting on the board resolutions approving the Maximum Guarantee Service Agreement and the provision of the Guarantee contemplated thereunder.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the provision of the Guarantee contemplated under the Maximum Guarantee Service Agreement exceeds 5% but is less than 25%, the provision of the Guarantee contemplated under the Maximum Guarantee 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.

Further, Zhongshan Join-Share Technology Financing Guarantee Investment Co., Ltd.* (中山中盈盛達科技融資擔保投資有限公司), one of the subsidiaries of the Company, is owned as to 43% by Zhongshan Torch Huaying Investment Co., Ltd.* (中山火炬華盈投資有限公司). Zhongshan Torch Huaying Investment Co., Ltd.*, a substantial shareholder of a subsidiary of the Company, is wholly-owned by Zhongshan Torch Public Assets Management Group Co., Ltd.* (中山火炬公有資產經營集團有限公司). Zhongshan Torch Development Zone Construction Development is a wholly-owned subsidiary of Zhongshan Torch Public Assets Management Group Co., Ltd.*. Therefore, Zhongshan Torch Development Zone Construction Development is a connected person of the Company under Chapter 14A of the Listing Rules.

As such, the provision of the Guarantee contemplated under the Maximum Guarantee Service Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rule. As (i) Zhongshan Torch Development Zone Construction Development is a connected person of the Company at the subsidiary level under the Listing Rules; (ii) the Board has approved the provision of the Guarantee; and (iii) the independent non-executive Directors have confirmed that the terms of the Maximum Guarantee Service Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole, the provision of the Guarantee is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

DEFINITIONS

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

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| “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 |
| “connected persons(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Group Company” | any member of the Group |
| “Guarantee” | the guarantee(s) to be provided by the Company pursuant to the Maximum Guarantee Service Agreement |
| “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 credit of RMB260 million as agreed under the Maximum Guarantee Service Agreement |
| “Maximum Guarantee Service Agreement” | the letter of guarantee maximum guarantee credit service agreement dated 6 February 2024 and entered into between the Company and Zhongshan Torch Development Zone Construction Development in relation to the provision of the Guarantee |
| “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 |
| “SMEs” | small and medium enterprises |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

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| “substantial shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Zhongshan Torch Development Zone Construction Development” | Zhongshan Torch Development Zone Construction Development Co., Ltd.* (中山火炬開發區建設發展有限公司), a company incorporated in the PRC with limited liability |
| “Zhongshan Torch Development Zone Construction Development Group Company” | Zhongshan Torch Development Zone Construction Development, any of its controlling companies and/or subsidiaries |
| “%” | per cent. |

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

Foshan, the PRC, 6 February 2024

As at 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, Mr. Li Shen Hua, Mr. Luo Zhenqing, Mr. Zhao Wei and Mr. Ou Weiming; and the independent non-executive Directors of the Company are Mr. Wu Xiangneng, Mr. Leung Hon Man and Mr. Wang Bo.

* for identification purpose only