

Panda Bond Manuals

English Version

National Association of Financial Market Institutional Investors

2024

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Part I. Operation Practice of Panda Bond

I. Overview of Panda Bond Market

(I) What is Panda Bond?

According to international practice, when foreign institutions issue local currency bonds in a country's domestic market, they are generally named after the most characteristic elements of that country, such as Japan's "Samurai Bond", the United States' "Yankee Bond", and the United Kingdom's "Bulldog Bond".

The bonds denominated in RMB issued by foreign institutions in China are named "Panda Bonds".

(II) What is the significance of developing the panda bond market?

1. Promote the opening up of China's bond market
2. Promote the internationalization of the RMB
3. Serve the real economy

(III) What types of panda bonds are there?

Issuer Types	Registration/ Approval Authority	Bond Types	Representative Issuers
International development institution	Issuer should register with NAFMII (Approved by the PBOC and five other ministries before September 2018)	RMB Bond	AIIB, IFC, ADB, NDB
Foreign government Agency	Issuer should register with NAFMII	RMB Bond	Republic of Poland, Hungary, Republic of Korea、 Province of British Columbia Canada
Financial institution	Issuer should get approval from PBOC	Financial institution bond	HSBC(HK), National Bank of Canada, Wing Lung Bank
Non-financial enterprise	Issuer should register with NAFMII	Debt Financing Instrument	Mercedes Benz, BMW AG, Veolia Environment

(IV) What are the rules for Panda Bonds?

1. Regulatory Rules of the People's Bank of China, State Administration of Foreign Exchange, and Ministry of Finance

- 1) Interim Measures for the Administration of Bond Issuance by Overseas Institutions in the National Interbank Bond Market (Announcement No. 16 of the People's Bank of China and the Ministry of Finance [2018]) (Promulgated in September 2018, referred to as the "Administrative Measures"). The "Administrative Measures" apply to the issuance of bonds by foreign government agencies, international development institutions, overseas financial institutions, and overseas non-financial enterprises in the interbank market.
- 2) Notice of the People's Bank of China and the State Administration of Foreign Exchange on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China (Yinfa [2022] No. 272)
- 3) State Administration of Foreign Exchange: Q&A on the Policy of RMB Bonds Issued by Overseas Issuers in China (Issue 1) (Promulgated on March 23, 2023)

2. Self-regulatory Rules of the National Association of Financial Market Institutional Investors

- 1) Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (Promulgated in 2019, revised in 2020 and 2023)
- 2) Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)
- 3) Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)
- 4) Guidelines on Bond Issuance by Foreign Governmental Agency and International Development Institution Issuers (Promulgated in December 2020, revised in 2024)
- 5) Q&As on Pilot Program of Social Bonds and Sustainability Bonds (2021)

- 6) Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism (2022)
- 7) Notice on Further Improving the Quality and Efficiency of Debt Financing Instrument Services (2023)
- 8) Notice on Launching a Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers (2023)

II. Operation practices for non-financial enterprises panda bond

(I) Key points of the non-financial enterprises panda bond rules

1. Definition

“Debt financing instruments of overseas non-financial enterprises” means debt financing instruments registered with NAFMII and issued by non-financial enterprises registered or incorporated outside of the People’s Republic of China (the **“PRC”**) with an independent legal-person status.

These Guidelines shall apply, *mutatis mutandis*, to the issuance of debt financing instruments by enterprises incorporated in the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

2. Issuance method

The issuer can choose:

(1) Issuance to institutional investors in the inter-bank market (hereinafter referred to as **"Full Market Issuance"**)

(2) **Private placement**

3. Bond types

The types of debt financing instruments that issuers can issue include but are not limited to: medium-term notes (MTN), commercial papers (CP), super-short commercial papers (SCP), perpetual notes, green bonds, social bonds, sustainability bonds, sustainable development-linked bonds, etc.

The issuer can choose to register for each type separately, or choose to register multiple types of debt financing instruments in a unified manner (DFI).

4. Underwriter

At least one of the principal underwriter(s) shall have a subsidiary or branch in the country or region where the non-financial enterprise is incorporated or the principal place of its business is located, or make other necessary arrangements, to ensure that such principal underwriter(s) have the capability to perform its duties including conducting due diligence.

There is no limit on the number of lead underwriters in the registration and issuance stages.

5. Registration Documents

	Full Market Issuance	Private Placement	Whether to disclose at the issuance stage
1	a registration report (attaching its certificate of incorporation, constitutional documents, and the resolutions of its competent decision-making body or other evidencing document(s))		No
2	a letter of recommendation from each principal underwriter		No
3	an offering circular	a private placement agreement or a private placement offering memorandum	Yes
4	the audited financial statements for the most recent three financial years, and the latest interim financial statements (if any)	the audited financial statements for the most recent two financial years, and the latest semi-annual financial statements	Yes
5	legal opinions issued by a PRC law firm and a law firm qualified in the issuer's home jurisdiction, respectively		Yes
6	a consent letter from the issuer's overseas auditors (if applicable)		Yes
7	a credit rating report and credit tracking assessment arrangements (if available)		Yes
8	other documents as required by NAFMII		Yes

6. Financial Statement

If the issuer does not disclose quarterly financial reports overseas, it does not need to disclose them, but investors should be reminded of them in a prominent position in the registration and issuance documents.

If an overseas non-financial enterprise prepares consolidated financial statements, in principle, such overseas non-financial enterprise shall submit, in addition to its consolidated financial statements, the issuer's standalone financial statements, or such contents in the issuer's standalone financial condition that may have a material impact on investors' investment decisions, and include a notice paragraph at a prominent place in the

registration and issuance documents.

7. Consent letter from the issuer's overseas auditors

If the audit report submitted by the issuer contains "only responsible to the issuer's shareholders, cannot be used for other purposes, not responsible to any other person and bears no legal liability" or similar statements, the foreign auditor shall issue an accountant's consent letter that meets the requirements of NAFMII, agreeing to use the audit report issued by it in the registration and issuance documents.

8. Accounting standards

"Equivalent Accounting Standards": the accounting standards recognized by the Ministry of Finance that are equivalent to China's corporate accounting standards (can be used directly without the need for reconciliation). Currently, Equivalent Accounting Standards include:

- EU International Financial Reporting Standards (EU IFRS)
- Hong Kong Financial Reporting Standards (HKFRS)
- UK International Financial Reporting Standards (after the end of the UK's Brexit transition period)
- Swiss Financial Reporting Standards

For Full Market Issuance: The accounting standards used should be stated in a prominent position in the prospectus and financial reports. If the Chinese Accounting Standards for Enterprises or the Equivalent Accounting Standards is not used, the issuer shall provide the following additional information:

(1) The important differences between the accounting standards used and the Chinese Accounting Standards for Enterprises;

(2) The difference adjustment information adjusted according to the Chinese Accounting Standards for Enterprises, indicating the amount of financial impact of differences in accounting standards on all important items in the financial statements of overseas entities.

For Private Placement: the issuer may independently negotiate with the targeted qualified institutional investors to determine the accounting standards used in the financial reports, prompt the risk and confirm the investor's risk fully in the private placement agreement.

9. Audit

Where an overseas entity issues bonds and uses the **Chinese Accounting Standards for Enterprise** to prepare financial reports, it shall employ an accounting firm with qualifications for securities and futures business in the People's Republic of China to audit the financial reports.

If **other accounting standards** are used to prepare financial reports, it shall employ an accounting firm with qualifications for securities and futures business in the People's Republic of China or an overseas accounting firm that meets the following conditions:

- (1) Being legally incorporated in the country or region where it is located, obtaining the qualification for practicing the audit business and being in a normal practice state;
- (2) having a good international reputation and market recognition;
- (3) Being able to engage in the public issuance of securities-related auditing business in its country or region, and having more than five years of experience in publicly issuing securities-related auditing business;
- (4) Other conditions or regulatory requirements stipulated by the Ministry of Finance.

The **difference adjustment information** provided by overseas entities in issuing bonds in accordance with the Chinese Accounting Standards for Enterprises shall be certified by an accounting firm with qualifications for securities and futures business within the territory of the People's Republic of China.

If an overseas accounting firm accepts an overseas entity to audit its financial reports related to the issuance of bonds in China, it shall accept the supervision of the Ministry of Finance and file with the Ministry of Finance in accordance with relevant requirements. Where the country or region where the overseas accounting firm is located signs an audit supervision equivalent agreement with the Ministry of Finance, or signs a special audit supervision cooperation agreement for issuing bonds, it shall be implemented in accordance with the agreement.

An overseas accounting firm shall, at the latest 20 working days before the overseas entity submits the application for issuance of bonds, make an initial report to the Ministry of Finance and conduct an annual report during the bond's existence.

10. Legal Opinions

Foreign Legal Opinion: A legal opinion on overseas matters should be issued by a law firm with relevant legal practice qualifications in the country (region) where the enterprise is registered.

Domestic Legal Opinion: A domestic law firm should issue a legal opinion on domestic matters.

11. Credit rating

Credit rating is not mandatory. If an issuer issues debt financing instruments and discloses a credit rating report, the rating report should be issued by a recognized national inter-bank bond market rating agency.

12. Use of proceeds

The proceeds may be used in China or abroad in accordance with relevant laws, regulations and regulatory requirements.

The account opening, cross-border settlements, and information reporting in connection with the proceeds from the issuance of debt financing instruments by overseas non-financial enterprises shall be in compliance with relevant rules of PBOC and the State Administration of Foreign Exchange. For details, please refer to the "Notice of the People's Bank of China and the State Administration of Foreign Exchange on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China " (Yinfa [2022] No. 272).

If there is a need to change the use of proceeds during the life of the debt financing instruments, the issuer shall complete relevant procedures and disclose such change at least five (5) business days prior to such change. The use of proceeds after such change shall also be in compliance with the requirements of relevant laws, regulations and national policies.

13. Pre-issuance process

Before each bond issue, the issuer shall cooperate with the lead underwriter to conduct material event investigations, and report to NAFMII the use of the proceeds of the current bond issue through the issuance terms change process.

14. Periodical disclosure during the life of the bond

Overseas non-financial enterprises shall periodically disclose relevant

financial information. The information disclosure during the life of the debt financing instruments shall be specified in the registration and offering documents in accordance with, mutatis mutandis, the Rules for Information Disclosure on Debt Financing Instruments of Non-Financial Enterprises on the Interbank Bond Market (《银行间债券市场非金融企业债务融资工具信息披露规则》, “Information Disclosure Rules”).

If an issuer does not disclose quarterly financial reports overseas, it may agree in its registration documents not to disclose quarterly financial reports.

If the disclosure time of annual reports, semi-annual reports and quarterly reports of overseas non-financial enterprises is inconsistent with domestic requirements due to reasons such as the inconsistency between their accounting years and those of China, they may agree on specific disclosure arrangements in the registration and issuance documents.

Financial information disclosed by an overseas non-financial enterprise on other securities markets shall also be disclosed in the National Interbank Bond Market. For example, some overseas issuers do not have quarterly reports, but if they disclose quarterly or monthly key operating data, they should also disclose it in the interbank market.

15. Disclosure of Material Events

During the life of the bond, upon the occurrence of any material event that may affect the repayment ability of the issuer, any corrections to errors in the disclosed information or any modifications to accounting policies or accounting estimates, such event shall be disclosed on a timely basis.

The definition of “Material Events” shall be specified in the registration and offering document in accordance with, mutatis mutandis, the definition of “Material Events” in the Information Disclosure Rules.

Material events disclosed by an overseas non-financial enterprise on other securities markets shall also be disclosed on the National Interbank Bond Market.

16. Language

(1) For All Market Issuance

Issuance stage: all the registration and offering documents shall be in Chinese (Simplified Chinese, the same below) or accompanied with a Chinese version.

Duration stage: all information disclosed during the life of such debt financing instruments shall be, in principle, in Chinese. Where an overseas non-financial enterprise discloses information required under Articles 25 of these Guidelines (i.e. periodic disclosure) in English on other securities markets, it shall, simultaneously or as soon as reasonably practicable thereafter, disclose such information in English on the National Interbank Bond Market and disclose the Chinese version of the key contents of such information in accordance with the timeline set forth in its registration and offering documents. Where an overseas non-financial enterprise discloses information required under Articles 26 of these Guidelines (i.e. disclosure of material events) in English on other securities markets, it shall, simultaneously or as soon as reasonably practicable thereafter, disclose such information in English on the National Interbank Bond Market, and disclose a Chinese version or a Chinese summary within seven (7) business days upon the disclosure of the English version.

(2) For Private Placement

Issuance stage: the principal registration and offering documents shall be in Chinese or accompanied with a Chinese version. Other documents may be disclosed in either Chinese or English as agreed between the issuer and the investors participating in such private placement.

Duration stage: information disclosure during the life of such debt financing instruments may be made in Chinese or English as agreed between the issuer and the investors.

17. Credit enhancement

Overseas credit enhancement entities providing credit enhancements to issuers of debt financing instruments shall comply with, mutatis mutandis, the information disclosure requirements for issuers

18. Investor protection

Overseas Issuer shall establish an investor protection mechanism and entrust a domestic institution independent of the issuer to safeguard the interests of the bondholder during the bond's life. The relevant independent institutions shall perform their duties diligently, independently and impartially, and urge the issuer to implement investor protection mechanisms such as disclosure of information on major issues and convening of bondholder meetings.

Issuer should stipulate relevant arrangements for bond holders' meetings in their registration and issuance documents.

19. Responsibilities of intermediaries

The professional institutions and related personnel such as underwriting institutions, trustee management institutions, credit rating agencies, accounting firms, law firms, etc., which provide professional services for the issuance of bonds by overseas entities, shall perform their duties diligently and strictly abide by the practice norms and professional ethics, obey the obligations according to the regulations and agreements, and bear the corresponding legal responsibilities.

20. Governing law

The offering and transaction documents for issuances of debt financing instruments by overseas non-financial enterprises shall be governed by the laws of the PRC.

21. Self-regulatory discipline

Self-regulatory disciplinary actions shall be imposed on any violations of these Guidelines and relevant self-regulatory rule in accordance with the Market Self-Disciplinary Rules relating to Debt Financing Instruments of Non-Financial Enterprises (《非金融企业债务融资工具市场自律处分规则》). NAFMII shall transfer the case of a relevant entity's alleged violation of the laws of the PRC to relevant authorities.

(II) Tiered Management and Form System of Overseas Non-Financial Enterprises Panda Bond

1. Tiered Management of Overseas Non-Financial Enterprises Panda Bond (2020)

In 2020, NAFMII issued Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises (《境外非金融企业债务融资工具分层分类管理细则》). Based on conditions such as the market recognition of overseas enterprises and the transparency of information disclosure, overseas non-financial enterprises that register and issue debt financing instruments are divided into overseas seasoned enterprises and overseas unseasoned enterprises, and a corresponding registration and issuance work mechanism is implemented.

First, overseas seasoned enterprises may prepare one set of registration documents covering multiple types of debt financing instruments, including super short-term commercial paper (SCP), commercial paper (CP), medium-term notes (MTN), perpetual notes (PN), asset-backed notes (ABN) and green notes (GN), and apply for universal registration (hereinafter referred to as “**DFI Registration**”). Under the DFI Registration model, overseas seasoned enterprises shall not be required to set a registration amount at the time of registration, and may determine the product type, offering size and tenor of each series of debt financing instruments at the time of offering. Overseas unseasoned enterprises shall separately register debt financing instruments by product.

Second, overseas seasoned enterprises shall disclose information in its offering circulars in accordance with the relevant requirements under Form Requirements for Information Disclosure in Offering Circulars of Overseas Seasoned Enterprises (**Form FM**)(《境外成熟层企业募集说明书信息披露表》(FM表)). Overseas unseasoned enterprises shall disclose information in their offering circulars in accordance with, mutatis mutandis, the relevant requirements for domestic issuer.

Third, the registration evaluation feedback for overseas seasoned enterprises is more efficient. If, upon the receipt by the departments of registration and issuance of NAFMII of the supplemental documents from the overseas enterprise or relevant intermediary institutions, the reviewers are still of the view that the information disclosure supplemented by such supplemental documents is incomplete, the lead reviewer shall collect all the opinions and issue a Comment Letter. The Comment Letter to an overseas seasoned enterprise shall be issued within three (3) business days after NAFMII’s receipt of the supplemental documents; and the Comment Letter to an overseas unseasoned enterprise shall be issued within five (5) business days after NAFMII’s receipt of the supplemental documents.

2. Panda bond mechanism optimization in 2020

In 2022, for the purposes of further opening up China’s bond market and promoting the sustainable development of the panda bond market, NAFMII issued the Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism (《关于开展熊猫债注册发行机制优化试点的通知》) (the Notice). **The Notice made the following changes to the 2020 panda bond tiered management rules:**

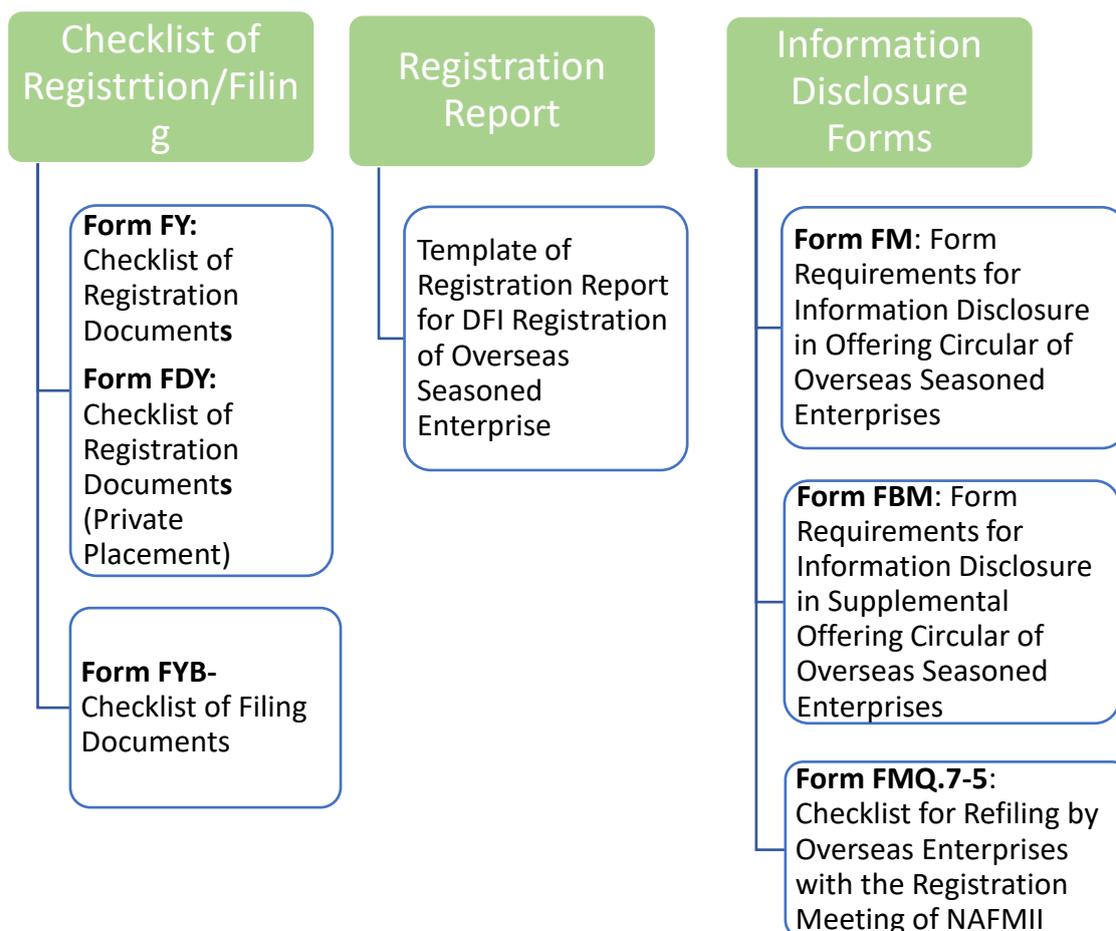
(1) Expanding the issuer base for “DFI Registration”: To further facilitate the

issuance of panda bonds by overseas unseasoned enterprises, overseas unseasoned enterprises are allowed to apply for DFI Registration and set a registration amount at the time of registration.

(2) Unifying form requirements for offering circulars for debt financing instruments of overseas non-financial enterprises: an overseas unseasoned enterprise may make disclosure in its offering circular in accordance with the relevant requirements of Form FM.

After the mechanism optimization in 2022, the conveniences that can be enjoyed by overseas seasoned enterprises and overseas unseasoned enterprises are already very close, with only differences in DFI registration quota, review time limit, investigation of material events before issuance, and whether the annual update of the basic prospectus under FIP program needs to be reported to NAFMII.

3. Form System of Overseas Non-Financial Enterprises Panda Bond



4. Form Requirements for Information Disclosure in Offering Circular of Overseas Seasoned Enterprises (Form FM)

Features: Connecting with general domestic rules and benchmarking international mature practices. Simplifying, strengthening and optimizing the prospectus.

- Simplification of some contents: use of proceeds, historical evolution, employee situation, sector composition, projects under construction and planned, parent company statements, credit situation, etc.
- Strengthening of some contents: important reminders of special agreed matters, sales restrictions, etc.
- Optimizing information disclosure arrangements for the "SPV + guarantee" structure: If an overseas parent company (guarantor) provides an unconditional and irrevocable joint and several liability guarantee for its wholly-owned subsidiary (issuer) that specializes in financing, the guarantor shall disclose information in accordance with the form, and the issuer may appropriately simplify the disclosure.

(III) Frequent Issuer Program (FIP) for Panda Bond

FIP refers to the mechanism where an issuer may file a supplemental offering circular containing simplified disclosure under the framework of a base offering circular for its subsequent registration and bond issuances.

Except for the following matters, the "Notice on Trial Implementation of Frequent Issuer Program (FIP)" released by NAFMII on April 22, 2022 shall apply, mutatis mutandis, to panda bond FIPs.

1. Issuer types

Overseas non-financial enterprises, international development institutions and foreign governmental agencies.

2. Requirements for preparing a base offering circular

If an issuer completes registration after four months following the end of a financial year, relevant information on the most recent financial year shall, in principle, be included in its base offering circular.

If an issuer has disclosed a base offering circular and issues bonds after four months following the end of a financial year, in principle, its base offering circular shall be updated to include disclosure on the most recent financial

year.

During the validity period of registration, overseas unseasoned enterprises that make annual updates to the base offering circular shall report to NAFMII before its issuance following the procedures for modification of terms, while overseas seasoned enterprises and the two types of institutions are not required to report to NAFMII.

3. Reference to disclosed information when preparing a supplemental offering circular

If an overseas issuer (and the guarantor, if any) has disclosed its semi-annual report (or quarterly report, if any) in the interbank market and the relevant financial statements and notes are translated into Chinese, it may incorporate the semi-annual report (and quarterly report, if any) by reference into the supplemental offering circular rather than preparing an updated financial disclosure in the supplemental offering circular. Disclosure of material events in Chinese in the interbank market may also be incorporated by reference into the supplemental offering circular.

III. Operation Practice of Foreign Government Agency and International Development Institution Panda Bond

1. Definition

Foreign governmental agencies include:

- (a) the central governments of sovereign countries (including their central banks, monetary authorities and treasury or finance departments);
- (b) local governments of sovereign countries (including the treasury or finance departments of such local governments); or
- (c) agencies performing government functions in accordance with the laws or pursuant to the authorization by the government of the country or region where the issuer is located (including public enterprises or financial institutions owned or controlled by foreign central or local governments, seeking finance on behalf of such governments, whose repayment obligations under such finance are ultimately assumed by such governments); or
- (d) other foreign governmental agencies as recognized by the competent regulatory authorities.

International development institutions include multilateral, bilateral and regional international development financial institutions that make development loans and investments.

2. Bond Type

RMB Bond (RB)

3. Condition for application for issuance:

The Interim Measures for the Administration of Bonds Issued by Overseas Issuers on the National Interbank Bond Market (People's Bank of China & Ministry of Finance Announcement [2018] No.16) stipulate that the foreign government agencies and international development institutions shall have experience in bond issuance and good debt solvency.

4. Method of issuance

All Market Issuance or private placement

5. Registration Process

(1) Issuer shall submit, through a principal underwriter with experience in acting as a principal underwriter on offerings of Debt Financing Instruments on the interbank bond market, an application letter to NAFMII for issuing bonds. Such principal underwriter shall provide a recommendation opinion to NAFMII.

(2) NAFMII shall accept an application that meets the acceptance conditions.

(3) The principal underwriter submits the registration documents to NAFMII.

(4) NAFMII reviews the registration documents. If the information disclosure is incomplete, NAFMII will provide feedback to the issuer and the principal underwriter. The issuer and the intermediary institution will make additional modifications to the registration documents.

(5) If the information disclosure of the registration documents is complete:

I. For Full Market Issuance: the registration materials will be submitted to the registration expert committee for review. If the registration expert committee agrees, NAFMII will issue a Notice of Registration Acceptance to the issuer.

II. For private placement: NAFMII will issue a Notice of Registration Acceptance to the issuer.

6. Issuance in multiple series

Foreign governmental agencies and international development institutions that are seasoned issuers on overseas markets or that have issued bonds within the PRC and complied with the ongoing disclosure obligations for more than one year may apply to issue bonds from time to time in multiple series within a total registration amount. Other foreign governmental agencies and international development institutions shall issue bonds on a stand-alone basis.

Foreign governmental agencies and international development institutions issuing bonds in multiple series may decide whether and when to issue bonds during the twelve-month period after the acceptance of registration, and, upon the expiry of such twelve-month period, may issue bonds at any time during the remaining validity period of registration upon filing with

NAFMII. Such issuers issuing bonds through private placements may decide whether and when to issue bonds within the validity period of registration.

7. Tap issues

To meet the reasonable demands of international development institutions and foreign governmental agencies for tap issues, they are allowed to conduct tap issues in a manner provided by the “Issuance-related Issues” released by NAFMII on September 25, 2020.

8. Principal Underwriter

Foreign governmental agencies and international development institutions may form a principal underwriter syndicate in the registration stage, and designate one lead underwriter for each offering in the offering stage.

The lead underwriter shall have experience in acting as a principal underwriter for Debt Financing Instruments issued on the Interbank Bond Market. Other principal underwriters and underwriters shall have experience in underwriting bonds in the PRC domestic markets and meet the applicable regulations of PBOC and NAFMII.

At least one of the principal underwriter(s) for each offering shall have a subsidiary or branch in the country or region where the head office of the foreign governmental agency or international development institution is located, or make other necessary arrangements, to ensure that such principal underwriter(s) have capability to conduct due diligence.

Foreign governmental agencies and international development institutions issuing bonds in multiple series up to the registered amount may change the members of the principal underwriter syndicate during the validity period of registration.

9. Registration Documents

	All Market Issuance	Private Placement	Whether to disclose at the issuance stage
1	a registration report		No

2	a letter of recommendation (from each principal underwriter and joint lead underwriter)		No
3	the authorization document(s) approving the proposed issuance (including, but not limited to, the relevant legislation, approval, consent of the proposed issuance from the issuer's legislative or executive authorities or the documents with the equivalent effects, or an official confirmation of the proposed issuance by its treasury, finance or economic authorities or the documents with the equivalent effects, or the issuer's constitutional documents and the resolutions of its competent decision-making body)		No
3	an offering circular	a private placement agreement or a private placement offering memorandum	Yes
4	the financial statements (audited) or economic data report for the most recent three fiscal years (or for a shorter period of time since the establishment of the issuer), and the latest interim financial statements or economic data report (if any)	(subject to agreement)	Yes
5	legal opinions issued by a law firm in the issuer's home country or region (or the justice department or an authorized and qualified internal legal counsel or department of the issuer) and by a PRC law firm	(subject to agreement)	Yes
6	a consent letter from the issuer's auditors (if applicable)	(subject to agreement)	Yes

7	a credit rating report and follow-up rating arrangements (if available)	(subject to agreement)	Yes
9	other documents as required by NAFMII		Yes
Language	In Chinese or with Chinese version	The private placement agreement or a private placement offering memorandum should be in Chinese or have a Chinese version attached. Other documents may be in Chinese or English.	

10. financial statements or economic data report

At the time of issuance, international development agencies and foreign government-like institutions that prepare financial statements should disclose financial statements (annual reports should be audited); foreign government agencies that do not prepare financial statements should disclose economic data reports.

11 Accounting standards (applicable to issuers preparing financial statements)

(1) All market Issuance

When an international development institution issues a bond, if it discloses the relevant financial report publicly, it shall declare the accounting standard used in its financial reports in a prominent position in the prospectus and financial reports, if not using the Chinese Accounting Standards for Enterprises or the equivalent accounting standards confirmed by the Ministry of Finance according to the reciprocity principle (hereinafter referred to as the equivalent accounting standards) it should disclose the explanations of the important differences between the accounting standards used and the Chinese accounting standards.

(2) Private placement

Issuer may negotiate with the targeted qualified institutional investors to determine the accounting standards used in the financial reports, prompt the risk and confirm the investor's risk fully in the private placement agreement.

12. Periodic disclosure

(1) All Market Issuance

Issuer shall disclose annual audited financial statements or economic data reports within the agreed period of time set forth in the offering documents.

Issuer that discloses semi-annual or quarterly financial statements on other securities markets or channels shall also disclose such financial statements.

Economic data reports disclosed during the life of the bonds shall be in Chinese. In general, annual, semi-annual or quarterly financial statements shall be disclosed in Chinese; however, if a foreign governmental agency or international development institution discloses such financial statements in English on other securities markets, it shall, simultaneously or as soon as reasonably practicable thereafter, disclose such financial statements in English through the Comprehensive Platform and disclose the Chinese version of the key information of such financial statements in accordance with the timeline set forth in its registration and offering documents.

(2) Private placement

Issuer may agree with private placement investors on the contents and language(s) of ongoing disclosure during the life of the bonds

13. Material Events

(1) Disclosure time

If a Material Event occurs during the term of the bond, the issuer should disclose it in the interbank market, or to investors in a private placement, on a timely basis in accordance with the agreed timeline set forth in the offering documents.

(2) Language

All Market Issuance: Disclosure of material events shall be made on a timely basis in Chinese, or in English with a Chinese version or a Chinese summary to be published within seven business days upon the publication of the English disclosure.

Private placement: The issuer may agree with the investors on the disclosure language of Material Events.

(3) Types of Material Events

“Material events” means the events the occurrence of which may have material adverse effect on the ability of a foreign governmental agency or international development institution to perform its obligations under the registered bonds during the life of the bonds.

“Material events” of foreign governmental agencies offering bonds to all interbank market shall include, but not limited to:

(a) any changes in laws, regulations, treaties, conventions, approvals or authorizations of the issuer (or its home country or region) that may have a material impact on the registered bonds;

(b) any event of default under, or acceleration or debt restructuring of, any external indebtedness of the issuer (or its home country or region);

(c) any change in the rights of bondholders, including, but not limited to, any change in the terms and conditions of the issuer’s other debt obligations that indirectly alters the rights of the bondholders under the registered bonds; and

(d) any other events that may have a material adverse effect on the issuer’s ability to perform its obligations (including, but not limited to, the obligation to make full payment of the principal and interest on the bonds when due) under the registered bonds.

“Material events” of international development institutions offering bonds to all interbank market shall include:

(a) any change in the treaties, conventions, laws, regulations, approvals or authorizations relating to the issuer, or in the constitutional documents of the issuer, which may have a material impact on the registered bonds;

(b) any event of default under, or acceleration or debt restructuring of, any external indebtedness of the issuer (or the home country or region of a bilateral development institution);

(c) the failure of the issuer to receive any of its callable capital as scheduled;

(d) any change in the rights of bondholders, including, but not limited to,

any change in the terms and conditions of the issuer's other debt obligations that indirectly alters the rights of the bondholders under the registered bonds; and

(e) any other events that may have a material adverse effect on the issuer's ability to perform its obligations (including, but not limited to, the obligation to make full payment of the principal and interest on the bonds when due) under the registered bonds.

Foreign governmental agencies and international development institutions offering bonds through private placements may agree with private placement investors on the types of material events to be disclosed.

14. Material Events that require re-submission to Registration Meeting

For foreign governmental agencies and international development institutions offering bonds to all interbank market following the acceptance of registration and until the creditor-debtor relationship with respect to the bond is created, where any material event as specified in Articles 25 of this Guideline occurs, NAFMII shall submit the Registration Documents to the Registration Meeting for its further review and determination on whether the existing registration continues to be valid.

15. Rank of repayment

Foreign governmental agencies and international development institutions shall ensure that the rights of the holders of the registered bonds are equivalent to those of the holders of other debt securities of the issuer with the same ranking.

16. Credit enhancement

Foreign governmental agencies and international development institutions providing credit enhancements to issuers of bonds and other institutions providing credit enhancements to a foreign governmental agency or international development institution shall comply with, mutatis mutandis, this Guideline.

17. Government law

The offering and transaction documents for the issuance of bonds by foreign governmental agencies and international development institutions shall, in principle, be governed by the laws of the PRC.

18. Rating, investor protection, and intermediary agency responsibilities

Same requirements as those for non-financial enterprise panda bonds.

Topic I: Panda Bonds with Sustainable Development Themes

I. Sustainable Development Goals and Financing and Investment for Sustainable Development

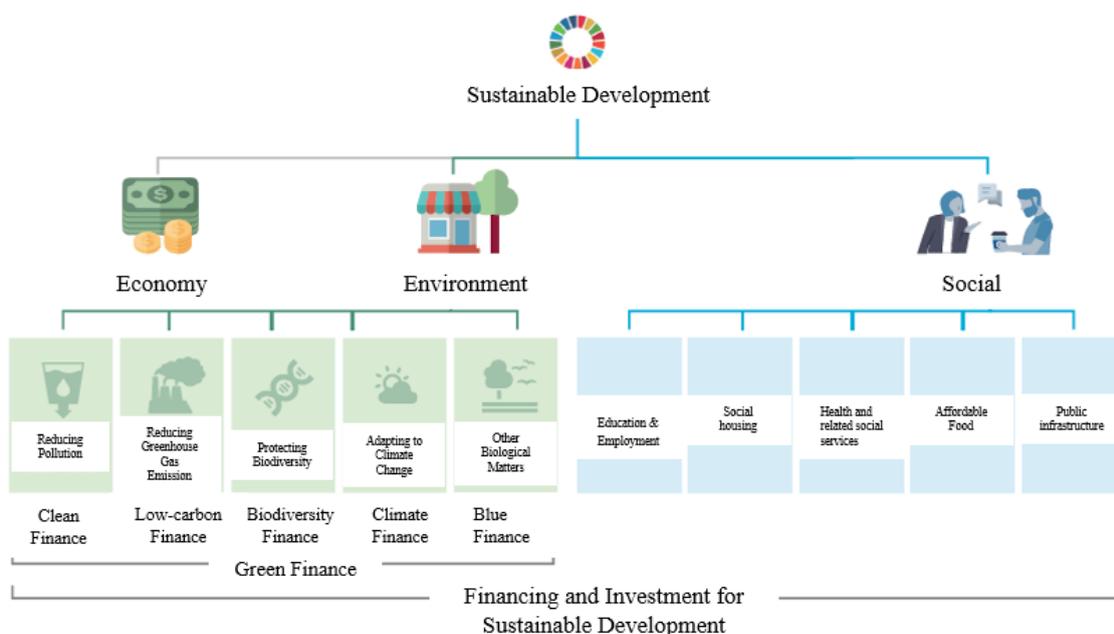
(I) Sustainable Development Goals (SDG)

The UN “2030 Agenda for Sustainable Development” (the "2030 Agenda") sets out 17 Sustainable Development Goals (SDGs) and 169 targets that the world strives to achieve by 2030.



(II) Financing and Investment for Sustainable Development

Over the years, the world has been working hard to guide capital into areas consistent with sustainable development and to form a sustainable development investment and financing system.



(III) Sustainability-themed bonds (GSSS Bond)

Sustainability-themed bonds include two major categories and four sub-categories of products, including Green Bonds, Social Bond, Sustainability Bond and Sustainability-linked Bond, collectively referred to as GSSS Bond.

Category	Title	Use of Proceeds	Bond Structure
Use of Proceeds Bond (UOP Bond)	Green Bond	Exclusively used for projects with significant environmental benefits	No special structure
	Social Bond	Exclusively used for projects with significant social benefits	No special structure
	Sustainability Bond	Exclusively used for projects with significant environmental and social benefits	No special structure
Non-UOP Bond	Sustainability-linked Bond (SLB)	For general purpose	Linking bond terms to the issuer's sustainable development performance

(IV) China's Implementation of Policies Related to SDGs

1. China actively implements the “2030 Agenda”

- 2016: Releasing China's National Plan on Implementation of the 2030 Agenda
- 2017 & 2019: Releasing China's Progress Report on Implementation of the 2030 Agenda
- 2021: Releasing China's VNR Report on Implementation of the 2030 Agenda

2. China incorporates SDGs into national development plan

- Establishing an inter-ministerial coordination mechanism consisting of 45 government departments to incorporate SDGs into specific tasks in economic, social and environmental sectors
- 13th Five-Year Plan (2015-2020): implementation of the 2030 Agenda
- 14th Five-Year Plan (2021-2025): implementation of the 2030 Agenda
- "Promoting shared prosperity in high quality development" is highly compatible with the 2030 Agenda's vision of "leaving no one behind"

II. Launching Social bond and Sustainability Bond Pilot Programs in the Panda Bond Market

(I) The significance of issuing social responsibility bonds and sustainable development bonds

1. Comply with the policy support direction of global and Chinese sustainable development
2. Establish a good social image and improve ESG performance
3. Attract domestic and foreign investors who focus on sustainable development and reduce financing costs

(II) “Q&As on Pilot Program of Social Bonds and Sustainability Bonds”

1. Definition

Social bonds refer to the bonds issued by an issuer in China's interbank market where the proceeds are exclusively used for social projects.

Sustainability bonds refer to the bonds issued by an issuer in China's

interbank market, where the proceeds are exclusively applied to a combination of green and social projects.

The portion of proceeds raised from sustainable development bonds used for green projects should comply with the relevant provisions applicable to green debt financing instruments, and the portion used for social responsibility projects should comply with the relevant provisions of social bonds. Proceeds raised from sustainable development bonds can also be used for projects that have both environmental and social benefits.

2. Eligible issuers during the polit phase

Overseas non-financial enterprises, foreign governmental agencies and international development institutions

3. Four core elements in line with international standards

- 1) Use of proceeds
- 2) Project evaluation and selection
- 3) Management of proceeds
- 4) Information disclosure

4. Element One: Use of Proceeds

(1) The **proceeds** from issuances of social bonds shall be exclusively used for the investment, construction, acquisition of assets, or relevant expenditure (such as R&D) for social projects, or to repay loans or bonds used to finance social projects.

- Can be used to supplement working capital directly related to social projects
- Can be used for refinancing of completed projects

(2) **Social projects** aim to help target populations solve specific problems or bring social benefits

- **Target populations** can include low- and middle-income population, unemployed, people affected by natural disasters, people with disability, women, children, senior citizens, people living in remote areas, undereducated people, etc., and in some special cases, the general public.

- Several goals of the UN SDGs focus on social benefits and can be referenced to identify, select and evaluate social projects.
- During the pilot phase, social projects may include projects in the fields of medical and health, agriculture, rural areas and food security, education and employment, drinking water and sanitation facilities, inclusive infrastructure, disaster prevention and relief.

(3) Social projects should comply with industry regulatory policies and follow the principles of commercial sustainability.

(4) Criteria for identifying green projects in sustainability bonds

- the Green Bond Endorsed Projects Catalogue jointly issued by PBC, NDRC, and CSRC, or other international green industry catalogs such as EU Taxonomy Climate Delegated Act.
- When foreign government agencies and international development institutions issue sustainable development bonds, their green project identification standards are encouraged to adopt the above-mentioned Green Bond Support Project Catalogue, or be specified in their frameworks or issuance documents based on international best practices.

(5) Enterprise issuing social bonds or sustainability bonds must specify the specific projects or candidate project pool for use of proceeds before issuance.

Enterprises shall disclose the following information regarding social projects:

- A. social responsibility targets and the target population;
- B. a statement explaining why the project falls within eligible social project categories, including the process and the criteria for such determination and the conclusion;
- C. the expected social benefits of the social project, and enterprises are encouraged to quantify relevant social benefits.

If foreign government agencies and international development institutions are unable to specify the social projects or candidate project pool before issuance, they can adopt the approach of clarifying the types of social projects/green projects, and the criteria and procedures for project evaluation and selection.

5. Element Two: Project Evaluation and Selection

(1) Issuers should disclose the following information in the framework or prospectus

- A. Standards for qualified social projects
- B. The process by which the issuer judges whether a project is a qualified social project
- C. The process by which the issuer assesses and manages the potential social and environmental risks of the project

(2) Principal of “No Significant Harm”

Qualified social projects should not cause significant harms to other social and environmental aspects.

(3) Change social project

If an issuer needs to change its social project during the tenor of its social bonds, it shall select and disclose the qualified social project in accordance with the criteria and procedures for the evaluation and selection of qualified social projects specified in the framework or issuance documents

6. Element Three: Management of Proceeds

(1) Management of proceeds

- Issuers shall establish a formal internal control mechanism to ensure that the proceeds are used in support of social projects.
- Issuers are encouraged to set up an escrow account in a domestic bank, and the bank shall manage the receipt, custody and transfer of the proceeds.
- Issuers can also adopt other proceeds management methods that are consistent with international best practices

(2) Changes in the use of proceeds during the tenor of social bonds

If the issuer needs to change the use of proceeds during the tenor of social bonds, it shall report to NAFMII and make disclosure. The amended use of proceeds shall also meet the requirements of the Q&As.

(3) Issuer issuing sustainability bonds should manage the proceeds used for

social projects and green projects according to the above requirements.

7. Element Four: Ongoing Information Disclosure

(1) Ongoing disclosure requirements

Issuer shall disclose annually the use of proceeds and social projects supported by such proceeds during the preceding year.

(2) Use of proceeds disclosure

Disclosure shall include the allocation of funds, the balance and placement of unallocated funds, etc.

(3) Social projects disclosure

Disclosure shall include a list of projects, their progress and expected social benefits.

(4) Material event

If a material event affecting the use of proceeds occurs, such as the sale of the social projects, the issuer shall disclose such event in a timely manner.

(5) Green projects disclosure

Issuer issuing sustainability bonds should also disclose the information of green projects.

(6) Issuer issuing sustainability bonds should also disclose the information of green projects in accordance with the timing requirements for green bonds.

(7) Foreign government agencies and international development institution

Foreign government agencies and international development institution that issue social bonds and sustainability bonds should disclose the use of proceeds and social projects (and green projects, if applicable) in the previous year annually as agreed in the prospectus.

8. Issuance under “framework”

Issuer can establish its framework for social bond or sustainability bond (the “framework”), and state that the envisaged bonds are consistent with the four core elements.

The framework can be used for one or multiple bond issuances.

Issuer who does not have a framework shall state in the prospectus for each bond issuance whether it meets the core elements.

9. External Review

Before the issuance: issuers are encouraged to engage external review provider to evaluate whether they meet the four core elements

During the tenor of bonds: issuers are encouraged to engage external review provider to perform follow-up external review on the progress and impact of the projects.

10. Label

Bonds that meet the criteria for social bonds or sustainability bonds in this Q&As are eligible to be labeled as social bonds or sustainability (or sustainable development, etc.) bonds.

11. Registration

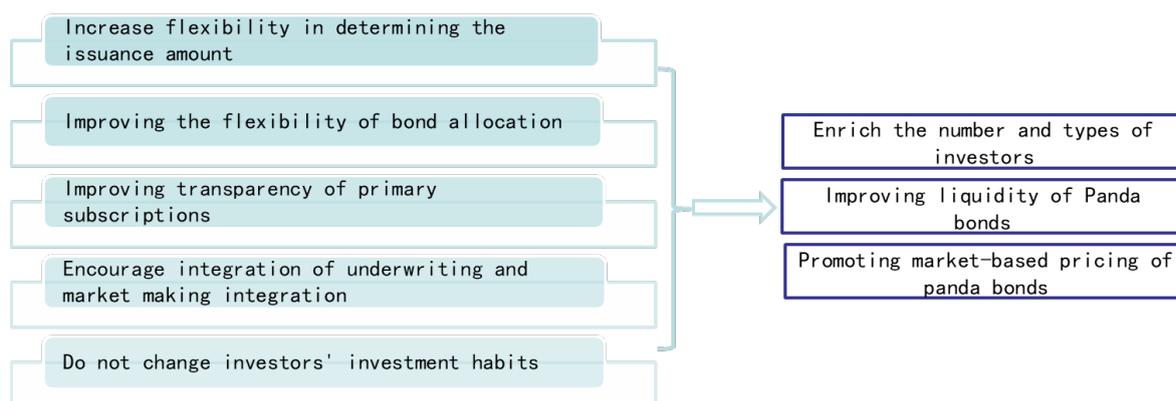
Bonds that meet the criteria for social bonds or sustainability bonds are eligible to be labeled as social bonds or sustainability bonds.

12. Established Framework

The frameworks established by issuers in accordance with the ICMA Green Bond Principles, the Social Bond Principles and/or the Sustainability Bond Guidelines or other mainstream international principles, as well as relevant external review opinions, can in principle be used to issue social bonds or sustainability bonds in the panda bond market.

Topic II. Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers

In 2023, NAFMII issued the Notice on Launching a Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers (the “Notice”), giving issuers more flexibility in the pricing and allocation process.



I. Determination of the issuance amount is more flexible

(I) Determine the issuance amount based on the actual situation of the subscription order

1. If the subscription is very active, the issuance amount will be larger
2. If the subscription is not active, the issuance amount will be smaller

(II) Determine the issuance amount based on the specific distribution of subscription investors

If there are high-quality investors with slightly higher subscription rates, the issuer can appropriately increase the issuance amount to include these investors.

II. Bond allocation is more flexible

Allocation of bonds to investors that issuer prefers

1. Investors who provide market-making services for bonds
2. Market-oriented investors: such as public funds, asset management, etc.
3. Banks whose bond investments do not occupy credit lines

4. Long-term investors who hold bonds for a long time and help stabilize prices
5. Investors who support issuers in the global market for a long time
6. Investors who actively cooperate with price inquiries in the early stage and apply for subscription as early as possible
7. ESG investors

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III. Bond subscription information is more transparent

Issuers can obtain more subscription information of underlying investors

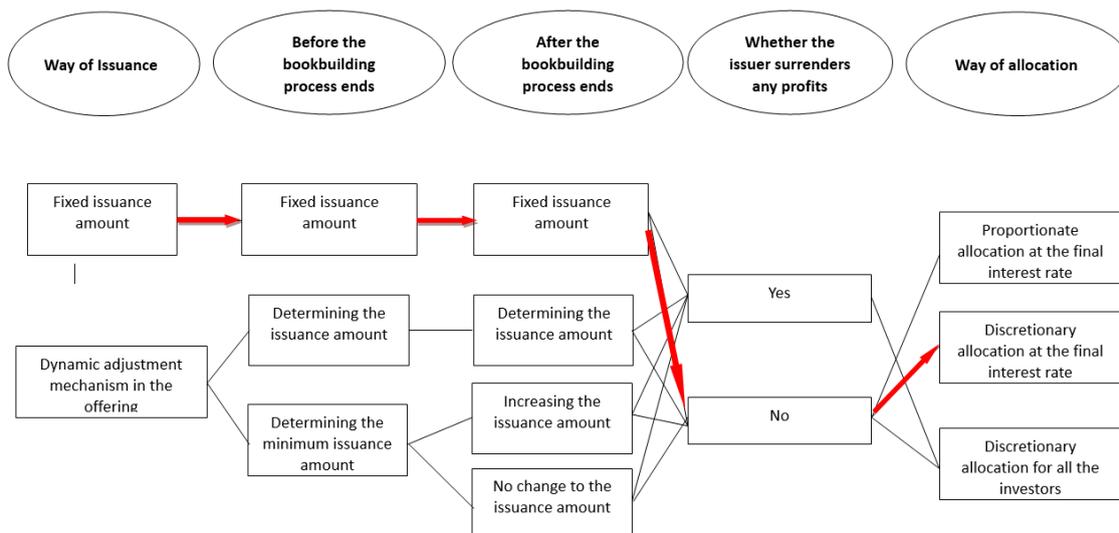
1. Investor name
2. Investor type
3. Subscription scale
4. Subscription interest rate

IV. Various measures to prevent potential risk of interest transfer under flexible placement

1. Carry out bond placement according to the placement principles disclosed in advance
2. Disclose specific measures to prevent interest transfer and remind investors of the risk of not being able to obtain placement or not being able to obtain full placement
3. Submit the "Issuance Plan" and "Subscription Instructions" to NAFMII for filing in advance; submit the bond pricing and placement information to NAFMII afterwards
4. The placement plan will take effect after confirmation and approval by the issuer

V. Issuers are given sufficient autonomy to choose

A total of 16 situations are available for selection



VI. Frequently Asked Questions

Question 1: Which overseas issuers can participate in the pilot?

Answer: Foreign government agencies, international development institutions, and overseas non-financial enterprises with rich issuance experience in the international bond market. In the initial stage of the pilot, it is recommended to communicate with the International Department of NAFMII before issuance. In the future, the scope of the pilot will be optimized according to the pilot situation.

Question 2: Under the dynamic adjustment mechanism of the issuance amount, what are the requirements for the adjustment of the issuance amount?

Answer: 1. In order to avoid exceeding the limit on the proportion of investors' holdings, the issuance amount can only be adjusted upward (or not adjusted), and shall not be adjusted downward; 2. The adjusted issuance amount shall not exceed the issuance amount range disclosed in the prospectus.

Question 3: How to efficiently share the underwriter's subscription orders?

Answer: 1. When forming a group, clearly indicate the requirements for sharing the subscription orders of the lead underwriter and group members, and make it clear that the bond allocation will be based on the investment subscription information; 2. If the issuer has determined the issuance amount before the end of the bookbuilding, the underwriter only needs to share the marginal subscription order information; 3. If there are substantial

difficulties in sharing the full name of the investor, it can be omitted, but the investor type should be described as detailed as possible.

Question 4: How do issuers choose between the two flexible bond placement methods?

Answer: Under the flexible placement of marginal areas, issuers enjoy limited flexible placement rights, but the risk of interest transfer is controllable, and the corresponding process specifications are relatively simple; under the flexible placement of all valid subscription orders, the issuer's flexible placement authority is larger, but the internal control requirements for issuers and bond allotments to prevent interest transfer are more stringent.

Question 5: What measures does NAFMII take to prevent the risk of interest transfer under the flexible bond placement mechanism?

Answer: 1. Strengthen information disclosure, clearly disclose relevant risks and countermeasures; 2. Control flexible placement rights, and control the flexible placement ratio within 20%; 3. Strengthen supervision, and form supervision of bond placement by issuers and lead underwriters; 4. Establish constraints, requiring clear bond placement principles in advance; 5. Strengthen internal control and strengthen compliance with relevant internal control processes; 6. Strengthen self-discipline management, and NAFMII strengthens self-discipline management before, during and after the event.

Part II. Panda Bond Rules and Regulations

Contents

I. Regulatory Rules of the People's Bank of China, State Administration of Foreign Exchange, and Ministry of Finance

(I) Interim Measures for the Administration of Bond Issuance by Overseas Institutions in the National Interbank Bond Market (Announcement No. 16 of the People's Bank of China and the Ministry of Finance [2018]) (Promulgated in September 2018)

(II) Notice of the People's Bank of China and the State Administration of Foreign Exchange on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China (Yinfa [2022] No. 272)

(III) State Administration of Foreign Exchange: Q&A on the Policy of RMB Bonds Issued by Overseas Issuers in China (Issue 1) (Promulgated on March 23, 2023)

II. Self-regulatory Rules of the National Association of Financial Market Institutional Investors

(I) Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (Promulgated in 2019, revised in 2020 and 2023)

(II) Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)

(III) Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)

(IV) Guidelines on Bond Issuance by Foreign Governmental Agency and International Development Institution Issuers (Promulgated in December 2020, revised in 2024)

(V) Q&As on Pilot Program of Social Bonds and Sustainability Bonds (2021)

(VI) Notice on Launching Pilot Program to Streamline Panda Bond

Registration and Issuance Mechanism (2022)

(VII) Notice on Further Improving the Quality and Efficiency of Debt Financing Instrument Services (2023)

(VIII) Notice on Launching a Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers (2023)

I. Regulatory Rules of the People's Bank of China, State Administration of Foreign Exchange, and Ministry of Finance

(I) Interim Measures for the Administration of Bond Issuance by Overseas Institutions in National Interbank Bond Market

Interim Measures for the Administration of Bond Issuance by Overseas Institutions in National Interbank Bond Market

(Issued by PBOC and MOF)

Chapter I General

Article 1: To promote the opening up of the national inter-bank bond market, regulate the issuance of bonds by overseas entities, and protect the legitimate interests and rights of investors in the national inter-bank bond market, these measures are formulated according to the Law of the People's Republic of China on the People's Bank of China, the Accounting Law of the People's Republic of China and other laws and regulations.

Article 2: The overseas entities hereby refer to foreign government agencies, international development institutions, financial institutions and non-financial corporate entities whose legal personality are registered outside the People's Republic of China, that issue bonds in the national inter-bank bond market.

Article 3 The foreign government agencies referred to in these Measures include sovereign governments, local governments, and entities with government functions.

The international development institutions referred to in these Measures refer to multilateral, bilateral and regional international development financial institutions that conduct development loans and investments.

Chapter II Application for Issuance

Article 4 The issuance of bonds by legal persons of overseas financial institutions in the national inter-bank bond market shall be approved by the People's Bank of China.

For foreign government agencies, international development institutions and other entities that issue bonds in the national inter-bank bond market, and foreign non-financial corporate entities that issue debt financing instruments for non-financing financial enterprises in the national inter-bank bond market, the applications for registration go to the National Association of Financial Market Institutional Investors (hereinafter referred to as NAFMII).

Article 5 Foreign government agencies and international development institutions shall have experience in bond issuance and good debt solvency.

Article 6 The issuance of bonds by legal persons of overseas financial institutions shall meet the following conditions:

- (1) The actual paid in capital is not less than 10 billion yuan or other equivalent currency;
- (2) Having a good corporate governance mechanism and a sound risk management system;
- (3) Having financial stability, good credit, and continuous profit in the last three successive years;
- (4) Having experience in bond issuance and good debt solvency;
- (5) Being effectively supervised by the financial regulatory authorities of the country or region where it is located, and keeping the main risk supervision indicators in compliance with the regulations of the financial regulatory authorities.

Article 7 The issuance of bonds by legal persons of overseas financial institutions shall submit the following materials to the People's Bank of China:

- (1) Application for the bond issuance;
- (2) The valid resolution or other supporting documents by competent authority for the bond issuance;
- (3) Prospectus;
- (4) Financial reports and audit reports for the last three successive years, as well as the financial report of the latest interim (if any);
- (5) Relevant documents for the financial regulatory authorities of the countries or regions in which they are engaged to carry out relevant financial business;
- (6) Credit rating report and surveillance arrangement (if any);
- (7) Guarantee agreement and the creditor's credit information (if any);
- (8) Legal opinions issued by legal consultants such as law firms with relevant legal qualifications in the People Republic of China and the country or region where the issuer is located.

Chapter III Bond Issuance, Registration, Trusteeship and Settlement

Article 8 The issuance of bonds by overseas entities may be issued once in full or separately within a quota.

Article 9 Foreign government agencies, international development institutions and overseas financial institutions that have experience in issuing bonds abroad or have issued bonds within the territory of the People's Republic of China keep information disclosed for more than one year may apply for the multi tranches issuance of bonds within the quota.

If a foreign non-financial enterprise legal person applies for the multi tranches issuance of bonds within the quota, it shall abide by the relevant regulations of NAFMII.

Article 10 The legal person of an overseas financial institution shall, in accordance with the relevant provisions of the national inter-bank bond market, issue the updated prospectus, credit rating report (if any), underwriting agreement and underwriting syndicate agreement, legal opinions and other required documents before the bond issuance pricing. The final relevant documents need to be filed with the People's Bank of China.

Article 11 Bonds issued by overseas entities shall be in trust to the registration and custody institutions recognized by the People's Bank of China. After the issuance, the issuer shall promptly confirm the creditor-debtor relationship with the registration and custody institution, and the registration custody institution shall handle the bond registration in a timely manner.

The overseas institutions shall, in accordance with the relevant provisions of the registration and custody, ensure that the relevant funds are redeemed and paid into the designated fund account of the bondholders in a timely manner.

Article 12 Overseas entities that have been approved or registered to issue bonds in China shall go through foreign exchange registration. The account opening, fund exchange, cross-border remittance and information reporting related to the raised proceeds shall be in line with the relevant regulations of the People's Bank of China and the State Administration of Foreign Exchange.

Chapter IV Information Disclosure

Article 13 Overseas entities shall perform information disclosure obligations in accordance with the relevant provisions of the national inter-bank bond market before the issuance of bonds and during the existence of the bonds. Overseas entities and guarantors (if any) shall ensure that the information disclosed is true, accurate, complete and timely, and that there must be no false records, misleading statements or major omissions.

Significant information disclosed by overseas entities in other markets should also be disclosed in the national inter-bank bond market at the same time or within a reasonable minimum time gap.

Article 14 Where an overseas entity directs the issuance of bonds to qualified institutional investors that have reached the private placement agreement, it shall disclose the information according to the content and form of the private placement agreement. The information disclosure is limited to qualified institutional investors for the private placement. It is not allowed to publicly disclose the issuance documents such as the prospectus and financial reports.

Article 15 When an international development institution issues a bond, if it discloses the relevant financial report publicly, it shall declare the accounting standard used in its financial reports in a prominent position in the prospectus and financial reports, if not using the Chinese Accounting Standards for Enterprises or the equivalent accounting standards confirmed by the Ministry of Finance according to the reciprocity principle (hereinafter referred to as the equivalent accounting standards) it should disclose the

explanations of the important differences between the accounting standards used and the Chinese accounting standards.

Article 16 When a foreign financial institution legal person or a non-financial enterprise legal person issues a bond, if it discloses the relevant financial report publicly, it shall declare the accounting standard used in its financial reports in a prominent position in the prospectus and financial reports, if the Chinese Accounting Standards for Enterprises or the equivalent accounting standards is not used, the issuer shall provide the following additional information:

(1) The important differences between the accounting standards used and the Chinese Accounting Standards for Enterprises;

(2) The difference adjustment information adjusted according to the Chinese Accounting Standards for Enterprises, indicating the amount of financial impact of differences in accounting standards on all important items in the financial statements of overseas entities.

Article 17 Where an overseas entity directs the issuance of bonds to qualified institutional investors who has reached the private placement agreement, the overseas entity may independently negotiate with the targeted qualified institutional investors to determine the accounting standards used in the financial reports, prompt the risk and confirm the investor's risk fully in the private placement agreement.

Article 18 The issuance documents publicly disclosed by overseas entities shall be in simplified Chinese or a simplified Chinese translation shall be provided.

Article 19 Where an overseas entity issues bonds and uses the Chinese Accounting Standards for Enterprise to prepare financial reports, it shall employ an accounting firm with qualifications for securities and futures business in the People's Republic of China to audit the financial reports; if other accounting standards are used to prepare financial reports, it shall employ an accounting firm with qualifications for securities and futures business in the People's Republic of China or an overseas accounting firm that meets the following conditions:

(1) Being legally incorporated in the country or region where it is located, obtaining the qualification for practicing the audit business and being in a normal practice state;

(2) having a good international reputation and market recognition;

(3) Being able to engage in the public issuance of securities-related auditing business in its country or region, and having more than five years of experience in publicly issuing securities-related auditing business;

(4) Other conditions or regulatory requirements stipulated by the Ministry of Finance.

The difference adjustment information provided by overseas entities in issuing bonds in accordance with the Chinese Accounting Standards for Enterprises shall be certified by an accounting firm with qualifications for securities and futures business within the territory of the People's Republic of China.

Article 20 If an overseas accounting firm accepts an overseas entity to audit its financial reports related to the issuance of bonds within the territory of the People's Republic of China, it shall accept the supervision of the Ministry of Finance and file with the Ministry of Finance in accordance with relevant requirements. Where the country or region where the overseas accounting firm is located signs an audit supervision equivalent agreement with the Ministry of Finance, or signs a special audit supervision cooperation agreement for issuing bonds, it shall be implemented in accordance with the agreement.

Article 21 An overseas accounting firm shall, at the latest 20 working days before the overseas entity submits the application for issuance of bonds, make an initial report to the Ministry of Finance and conduct an annual report during the bond's existence.

Chapter 5 Others

Article 22 The professional institutions and related personnel such as underwriting institutions, trustee management institutions, credit rating agencies, accounting firms, law firms, etc., which provide professional services for the issuance of bonds by overseas entities, shall perform their duties diligently and strictly abide by the practice norms and professional ethics, obey the obligations according to the regulations and agreements, and bear the corresponding legal responsibilities.

Article 23 The Ministry of Finance shall supervise the accounting firms that undertake the relevant financial reporting and auditing business according to law. For overseas accounting firms that violate the provisions of these Measures and have serious quality problems, the Ministry of Finance has the right to order regulatory measures such as corrections and announcements within a time limit.

Article 24 If a foreign institution issues bonds, it shall issue legal opinions from legal counsel such as law firms that have relevant legal qualifications in the country or region. Domestic matters shall be issued with legal opinions by lawyers practicing in accordance with the Law of the People's Republic of China on Lawyers.

Article 25 Overseas entities issuing bonds shall establish an investor protection mechanism and entrust a domestic institution independent of the issuer to safeguard the interests of the bondholder during the bond's life. The relevant independent institutions shall perform their duties diligently, independently and impartially, and urge the issuer to implement investor protection mechanisms such as disclosure of information on major issues and convening of bondholder meetings.

Article 26 If a credit rating report is publicly disclosed by a overseas entity issuing bonds, its rating report shall be issued by an accredited national inter-bank bond market rating agency.

Article 27 NAFMII shall strengthen the self-discipline management of foreign institutions issuing bonds in the national inter-bank bond market, and is responsible for formulating relevant rules and information disclosure guidelines foreign government agencies, international development institutions, non-financial corporate legal persons, etc. to issue bonds in the national inter-bank bond market, reviewing and supervising the issuer's follow up information disclosure. If the information cannot be disclosed in

accordance with the regulations, it shall promptly report to the People's Bank of China.

Chapter VI Supplementary Provisions

Article 28 The issuance of bonds by entities located in the Hong Kong Special Administrative Region, the Macao Special Administrative Region and the Taiwan Region in the national inter-bank bond market shall be implemented in accordance with these Measures.

Article 29 These Measures shall be interpreted by the People's Bank of China in conjunction with the Ministry of Finance. Matters not covered in these Measures shall be implemented in accordance with the relevant provisions of the People's Bank of China and the Ministry of Finance.

Article 30 The overseas entities that have been approved to issue or register bonds in the national inter-bank bond market before the promulgation of these Measures may be executed in accordance with the relevant requirements at the time of approval or registration.

(II) Notice of the People's Bank of China and the State Administration of Foreign Exchange on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China (Yinfa [2022] No. 272)

Notice of the People's Bank of China and the State Administration of Foreign Exchange on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China

Yinfa No. 272 [2022]

The People's Bank of China ("PBC") Shanghai Head Office, branches, operation offices, and central sub-branches in capital cities of provinces (autonomous regions) and sub-provincial cities; the branches and administrative offices of the State Administration of Foreign Exchange ("SAFE") in all provinces, autonomous regions, and municipalities directly under the Central Government and the SAFE branches in the cities under separate state planning; China Foreign Exchange Trade System, China Central Depository & Clearing Co., Ltd., and Shanghai Clearing House; China Development Bank, all policy banks, state-owned commercial banks, Postal Savings Bank of China, and all joint-stock commercial banks:

To regulate the proceeds management for yuan-denominated bonds ("RMB Bonds") issued by overseas issuers in China, this Notice is hereby formulated in accordance with the *Law of the People's Republic of China on the People's Bank of China*, the *Regulations of the People's Republic of China on Foreign Exchange Administration*, and other applicable laws and regulations. The specifics of this Notice are as follows:

I. In this Notice, "issuance of RMB Bonds by overseas issuers in China" refers to the public or non-public issuance of RMB Bonds by overseas issuers in the China interbank bond market or exchange-traded bond market in accordance with the *Interim Measures for the Administration of Bonds Issued by Overseas Issuers on the National Interbank Bond Market* (Announcement No. 16 [2018] of the People's Bank of China and the Ministry of Finance), the *Measures for the Administration of the Issuance and Trading of Corporate Bonds* (CSRC Decree No. 180), and other applicable rules, upon the approval, registration, or filing by the competent regulators.

II. The PBC, the SAFE, and their branches will supervise and manage the accounts, fund collection and payment, and transfer of proceeds relating to RMB Bond issuance according to law.

III. The SAFE will exercise registration-based management of the proceeds relating to RMB Bond issuance. An overseas issuer shall entrust a Chinese lead underwriter to perform the registration procedures on its behalf.

An overseas issuer should, after the approval, registration, or filing for bond issuance but before the offering of the first tranche, entrust its domestic lead underwriter to take

the following materials and complete registration with the domestic banking institution (the “Deposit Bank”) with which a proceeds account is opened for such overseas issuer:

(I) *Registration Form for Basic Information of Foreign Institutions Issuing Bonds Within Border* (Appendix 1).

(II) *Documents relating to bond issuance approval, registration, or filing.*

(III) *Prospectus or private placement agreements and other relevant documents.*

The Deposit Bank should fulfill its mandates and strictly examine the authenticity of and retain the documents submitted by the overseas issuer. The Deposit Bank should, after completing the registration for the overseas issuer as required, return a registration certificate affixed with its seal for banking operation to the overseas issuer’s lead underwriter.

The overseas issuer should, within 20 working days after the offering of each tranche, entrust its domestic lead underwriter designated for the tranche to update the registration information regarding the actual funds raised at the Deposit Bank designated for the tranche with the registration certificate and the *Registration Form for Funding Information of Foreign Institutions Issuing Bonds Within Border* (Appendix 2).

IV. An overseas issuer shall open a special cash account (RMB or/and foreign currencies) for the proceeds from RMB Bond issuance (the “Special Account”) with the registration certificate. The overseas issuer who is to open an RMB Special Account may open an RMB bank settlement account or entrust its lead underwriter to open a custodian account, which is a special deposit account in nature.

The scope of income for a Special Account includes: the proceeds received from RMB bond issuance; funds received for the repayment of principal and interest and the payment of relevant taxes and fees (taxes and service charges, among others); interest income; repayment of principal and interest for the loans extended to domestic entities with the proceeds received from bond issuance pursuant to applicable rules; capital reduction, capital withdrawal, equity transfer, and profits or dividends arising from domestic investment with the proceeds received from bond issuance pursuant to applicable rules; transfer of funds with other proceeds accounts held by the same overseas issuer; and other incomes as stipulated by the PBC and SAFE.

The scope of expenses for a Special Account includes: outward remittance of the proceeds from bond issuance or the foreign currency purchased with such proceeds; payment, either after sale of foreign exchange or not, of the principal and interest for the bonds issued and relevant taxes; extension of loans to domestic entities as per applicable rules with the proceeds; outward remittance of the income from the repayment of the principal and interest for the loans extended to domestic entities or outward remittance of the foreign currency purchased with such income; domestic investment with the proceeds pursuant to applicable rules; outward remittance of the income from capital reduction, capital withdrawal, equity transfer, and profits or

dividends arising from the domestic investment or outward remittance of the foreign currency purchased with such income; transfer of funds with other proceeds accounts held by the same overseas issuer; and other expenses as stipulated by the PBC and SAFE.

V. Overseas issuers may remit the proceeds from RMB bond issuance outward or retain them in China for use, provided that such proceeds are used in compliance with relevant provisions of the prospectus or other documents. If the overseas issuer retains the proceeds in China for use, such use should be subject to the rules and regulations governing foreign direct investment and foreign debts.

Overseas issuers are encouraged to use RMB for cross-border receipt, payment, and use of the proceeds raised from RMB bond issuance.

VI. An overseas issuer may apply for trading in foreign exchange derivatives based on the actual demand principle through a domestic financial institution that is qualified for trading RMB/FX derivatives on behalf of its clients, to manage the exchange rate risk arising from the RMB bond issuances in China.

VII. An overseas issuer may remit funds from abroad or within China to its Special Account for repayment of the principal and interest related to RMB bond issuance in China and for payment of related taxes and fees. The repayment of the principal and interest that involves sale of foreign exchange should be made in accordance with the bond repayment plan.

VIII. Relevant banks should submit the supervisory and statistical data related to RMB bond issuance by overseas issuers in China in accordance with the *Administrative Rules for RMB Bank Settlement Accounts* (Order No. 5 [2003] of the PBC), the *Measures for the Administration of the RMB Cross-Border Payment and Receipt Management Information System* (Yinfa No. 126 [2017]), the *Notice of the General Administration Department of the People's Bank of China on Improving the Interbank Business Data Submission Procedures of the RMB Cross-Border Receipt and Payment Information Management System* (Yinbanfa No. 118 [2017]), and other applicable rules.

IX. Domestic entities and depository and clearing institutions that engage in foreign-related payments and receipts for RMB bond issuance by overseas issuers should make a timely and accurate declaration of the balance of payment statistics in accordance with this Notice, the *Detailed Rules for the Implementation of Balance-of-Payments Statistical Declarations through Banks* (Huifa No. 22 [2022]), the *Guidelines on the Balance-of-Payments Statistical Declarations through Banks (2019)* (Huifa No. 25

[2019]), the *Statistics System of External Financial Assets and Liabilities and Foreign Transactions* (Huifa No. 36 [2021]), and the *Circular of the State Administration of Foreign Exchange on Issuing the Specifications for the Collection of Data on the Foreign Exchange Business of Financial Institutions (Version 1.3)* (Huifa No.13 [2022]), and other applicable rules.

X. The materials submitted by overseas issuers in accordance with this Notice should be prepared in Chinese. If the materials are prepared in both Chinese and a foreign language, the Chinese version should prevail.

XI. If an overseas issuer has issued RMB bonds in China before the release of this Notice and such bonds are still outstanding but have not been registered, the overseas issuer should entrust its domestic lead underwriters to complete the registration promptly with reference to Article 3 of this Notice.

XII. The PBC and SAFE reserve the right to interpret this Notice.

XIII. This Notice will come into effect from January 1, 2023. The *Notice of the General Administration Department of the People's Bank of China on Matters Concerning the Cross-Border RMB Settlement for RMB Debt Financing Instruments Issued within China by Overseas Institutions* (Yinbanfa No. 221 [2014]) and the *Notice of the General Administration Department of the People's Bank of China on Matters Concerning the Cross-Border RMB Settlement of RMB Bonds Issued within China by Overseas Institutions* (Yinbanfa No. 258 [2016]) will be repealed on the same day.

Appendices:

1. [Registration Form for Basic Information of Foreign Institutions Issuing Bonds Within Border.pdf](#)
2. [Registration Form for Funding Information of Foreign Institutions Issuing Bonds Within Border.pdf](#)

The People's Bank of China

The State Administration of Foreign Exchange
November 23, 2022

境外机构境内发行债券基本信息登记表
REGISTRATION FORM FOR BASIC INFORMATION OF FOREIGN INSTITUTIONS ISSUING BONDS
WITHIN BORDER

一、境外机构基本信息 Basic Information of Issuer			
机构名称 Name of issuer		中文 English	
机构注册地 Domicile of incorporation	特殊机构赋码 Special institutional code	全球机构识别编码 (如有) LEI code (if applicable)	
首期境内主承销商 ¹ Series 1 lead underwriter	金融机构标识码 Financial institutions identification code		
二、境外机构境内发行债券基本信息 Bond Information			
债券发行场所 Venue	银行间 <input type="checkbox"/> 交易所 <input type="checkbox"/> 其他 <input type="checkbox"/> CIBM Exchange Others	核准/注册/备案文件号 Batch number	债券名称 Name of Bond
币种 Currency	总规模 ² (元) Aggregate scale, Yuan	首期发行计划 Series 1 listing plan	债券期限 (月) Bond maturity, Months
			发行规模 (元) Issuance scale, Yuan
<p>本机构承诺上述所填写内容及所附材料真实、准确，并承诺严格按照外汇管理规定开展相关业务。 We declare that the information on this form and materials attached are true and accurate. We commit that we shall strictly follow the foreign exchange regulations to carry out related business.</p> <p style="text-align: right;">境外机构 (签章) Issuer (Authorized Signature) : _____ 年 月 日</p>			

¹ 只填写发行人委托办理登记的一家境内主承销商，下同。(Only one lead underwriter entrusted for registration needs to be filled in, similarly hereinafter.)
² 核准、注册、备案文件注明的总发行额度。(The aggregate scale stated in approval/registration/filing document.)

境外机构境内发行债券募集资金信息登记表
REGISTRATION FORM FOR FUNDING INFORMATION OF FOREIGN INSTITUTIONS ISSUING BONDS
WITHIN BORDER

一、境外机构境内发行债券登记基本信息 Basic Information of Registration			
机构名称 Name of issuer	债券名称 Name of bond	核准/注册/备案文件号 Batch number	
业务登记凭证编号 ¹ Operation number	特殊机构赋码 Special institutional code		
二、境外机构境内发行债券实际情况 Bond Issuance Information			
期数 Number of series	本期境内主承销商 Current series lead underwriter	本期发行规模 (元) Actual issuance scale of current series, Yuan	起息日期 Value date
			到期日期 Due date
第 期 Series			本期债券期限 (月) Current series bond maturity, month
各期已发行规模合计 (元) ² Total issuance scale, Yuan			
<p>本机构承诺上述所填写内容及所附材料真实、准确，并承诺严格按照外汇管理规定开展相关业务。 We declare that the information on this form and materials attached are true and accurate. We commit that we shall strictly follow the foreign exchange regulations to carry out related business.</p> <p style="text-align: right;">境外机构 (签章) Issuer (Authorized Signature) : 年 月 日</p>			

¹ 业务登记凭证上的业务编号。(Operation number of operation registration certification.)

² 需填写之前各期及本期合计发行规模。(The total scale of previous and current series needs to be filled in.)

(III) State Administration of Foreign Exchange: Q&A on the Policy of RMB Bonds Issued by Overseas Issuers in China (Issue 1) (Promulgated on March 23, 2023)

Q&A on the Policy of RMB Bonds Issued by Overseas Issuers in China

(Issue 1)

Q: Can overseas issuer share one Special Account for multiple bond issuances in China? Is there a limit on the number of Special Account? Must the Special Account of no longer existing bonds be cancelled?

A: If the same overseas issuer issues multiple bonds in China, it can use Special Account opened previously or choose to open a new Special Account. Overseas issuer can open one or more Special Account according to its own needs. After the bonds are no longer in existence, overseas issuer can choose to cancel or retain the Special Account, and should comply with other regulations on bank account management.

Q: If there are multiple lead underwriters for the first issue of bonds, how should the registration entity be determined? If the entrusted lead underwriters of different bonds are inconsistent, how should the entity for reporting the bond proceeds information be determined?

A: If there are multiple lead underwriters for the first issue of bonds, the issuer should designate one of the lead underwriters (the entrusted lead underwriter) as the entity for registration. If the entrusted lead underwriters of the previous and subsequent bonds are inconsistent, the entrusted lead underwriter of the latter issue should update the actual bond proceeds registration information, and the entrusted lead underwriter of the previous issue should provide necessary assistance.

Q: For issuers with no issuance scale restrictions in the interbank market, how should the "total scale" item of the "Registration Form for Funding Information of Foreign Institutions Issuing Bonds Within Border" be filled in?

A: For issuer with no issuance scale restrictions in the interbank market, the "total scale" item of the "Registration Form for Funding Information of Foreign Institutions Issuing Bonds Within Border" can be filled in according to the estimated issuance scale within the validity period of the relevant approval documents. When the opening bank

registers such issuer, it should indicate "interbank market season enterprise" in the notes of the relevant page of the capital project information system of the State Administration of Foreign Exchange.

Q: When foreign issuer manages exchange rate risks under domestic RMB bond issuance, what are the specific regulations for foreign exchange derivative trading products?

A: Foreign issuers and domestic financial institutions can use forwards, foreign exchange swaps, currency swaps and options and product combinations in the domestic foreign exchange market to conduct foreign exchange derivative transactions. The currency, term, price and other transaction elements of foreign exchange derivatives are determined by negotiation between the two parties in accordance with commercial principles.

Before domestic financial institutions reach a foreign exchange derivative transaction with foreign issuers, they should confirm that the foreign issuers' handling of derivative business complies with the principle of actual need transactions, and obtain written materials such as statements, confirmation letters, and issuance materials provided by customers that can prove their real demand background.

Q: How should the foreign debt registration be handled when the proceeds raised by the issuance of RMB bonds by foreign issuer in China are lent to domestic enterprises with equity-related relationships (non-subsidiaries of the issuer) in the form of RMB foreign debt?

A: When the proceeds raised by the issuance of RMB bonds by foreign issuer in China are lent to domestic enterprises with equity-related relationships (non-subsidiaries of the issuer) in the form of RMB foreign debt, the domestic debtor should handle the foreign debt registration in accordance with the following provisions: If the domestic debtor chooses the "macroprudential" foreign debt management model to borrow foreign debt, it should first be included in the calculation of the cross-border financing risk-weighted balance. For the part exceeding the upper limit of the cross-border financing risk-weighted balance, the State Administration of Foreign Exchange can handle it for it according to the principle of actual need. If the domestic debtor (including subsidiaries and non-subsidiaries of the issuer) chooses a foreign debt management model other than "macroprudential", the foreign debt registration should be handled in accordance with the current foreign exchange management regulations.

Q: Can domestic entities directly repay the principal and interest of domestic bonds on behalf of foreign issuer in China?

A: If overseas issuer uses funds from domestic entities (loan principal and interest,

capital reduction, capital withdrawal, equity transfer and profit dividend, etc.) to repay the principal and interest of domestic bonds, the domestic entity shall remit the relevant funds to the Special Account of the overseas issuer, and then the overseas issuer shall repay the principal and interest in accordance with the regulations. The cross-border receipts and payments involved in the repayment of the principal and interest of domestic bonds by overseas issuer using funds from domestic entities shall comply with relevant foreign exchange management regulations.

Q: When should overseas issuers that have issued bonds in China before the issuance of the notice and the bonds are still in the duration but have not registered make up for the registration?

A: In principle, overseas issuers that have issued bonds in China before the issuance of the notice and the bonds are still in the duration but have not registered should make up for the registration within twelve months from the date of the effectiveness of the notice.

II. Self-regulatory Rules of the National Association of Financial Market Institutional Investors

(I) Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (Promulgated in 2019, revised in 2020 and 2023)

Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (2023)

(Adopted on February 9, 2018 at the sixth conference of the Fifth Governing Council of NAFMII; amended on October 16, 2020 at the eighteenth conference of the Fifth Governing Council of NAFMII; amended on June 29, 2023 at the ninth conference of the Fourth Council of NAFMII)

Chapter I. General Provisions

Article 1 These Guidelines are promulgated with a view to promoting the open-up of the bond market and regulating the debt financing instruments of overseas non-financial enterprises and in accordance with the Administrative Measures for Debt Financing Instruments of Non-Financial Enterprises on the Inter-bank Bond Market (《银行间债券市场非金融企业债务融资工具管理办法》) (People’s Bank of China Order [2008] No.1) promulgated by the People’s Bank of China (“**PBOC**”), the Interim Measures for the Administration of Bonds Issued by Overseas Issuers on the National Interbank Bond Market (《全国银行间债券市场境外机构债券发行管理暂行办法》) (PBOC & Ministry of Finance Announcement [2018] No.16) promulgated by PBOC and the Ministry of Finance and relevant self-regulatory rules of the National Association of Financial Market Institutional Investors (“**NAFMII**”).

Article 2 In these Guidelines, “debt financing instruments of overseas non-financial enterprises” means debt financing instruments registered with NAFMII and issued by non-financial enterprises registered or incorporated outside of the People’s Republic of China (the “**PRC**”) with an independent legal-

person status. These Guidelines shall apply, *mutatis mutandis*, to the issuance of debt financing instruments by enterprises incorporated in the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

Article 3 Overseas non-financial enterprises issuing debt financing instruments shall be subject to the self-regulatory supervision by NAFMII and comply with self-regulatory rules of NAFMII.

Article 4 Principal underwriters, underwriters, custody institutions, credit rating agencies, accounting firms, law firms and other relevant intermediary institutions and their respective personnel that provide professional services to overseas non-financial enterprises in connection with their issuances of debt financing instruments shall diligently perform their duties and strictly comply with the codes of conduct and ethics rules, and perform their respective obligations and assume their respective legal liability in accordance with applicable regulations and agreements.

Article 5 The acceptance of registration by NAFMII does not represent that NAFMII has conducted any substantive assessment on the value of, and risks relating to, investment in the debt financing instruments issued by overseas non-financial enterprises. The registration does not exempt such overseas non-financial enterprise or relevant intermediary institutions from the obligations to make true, accurate, complete and timely information disclosure. Investors shall make their assessment on investment values and assume investment risks.

Chapter II Registration and Issuance

Article 6 Issuances of debt financing instruments by overseas non-financial enterprises shall be subject to the requirement of registration with NAFMII.

Article 7 An overseas non-financial enterprise may issue debt financing instruments in the manner stipulated in the Rules for the Registration and Issuance of Debt Financing Instruments of Non-Financial Enterprises (《非金融企业债务融资工具注册发行规则》).

Article 8 Debt financing instruments issued by overseas non-financial enterprises shall be underwritten by financial institution(s) possessing the relevant qualification to act as underwriter(s) for debt financing instruments. At least one of the principal underwriter(s) shall have a subsidiary or branch in the country or region where the non-financial enterprise is incorporated or the principal place of its business is located, or make other necessary

arrangements, to ensure that such principal underwriter(s) have the capability to perform its duties including conducting due diligence.

Article 9 Where NAFMII accepts the registration of the issuance of debt financing instruments, it shall issue a Notice of Registration Acceptance to the overseas non-financial enterprise. The registration shall be valid for two years.

Article 10 During the period starting on the date of acceptance of registration and ending on the date of the establishment of creditor-debtor relationship, where any material events or any events that, although not material, may have a significant impact on investment values and investment decisions occur, the overseas non-financial enterprise shall comply with, mutatis mutandis, the Rules and Procedures for the Registration of Debt Financing Instruments of Non-Financial Enterprises (《非金融企业债务融资工具注册工作规程》) and the Rules and Procedures for the Registration of Debt Financing Instruments of Non-Financial Enterprises for Private Placement (《非金融企业债务融资工具定向发行注册工作规程》) to make supplemental information disclosure or file with the Registration Meeting of NAFMII for its further review.

Article 11 An overseas non-financial enterprise issuing debt financing instruments shall submit to NAFMII a written plan on use of proceeds from the proposed issuance no later than three (3) business days prior to the publication of the offering documents for each series of debt financing instruments. The written plan on use of proceeds is not required to be submitted for the first issuance or issuances which are subject to a pre-issuance filing with NAFMII.

Chapter III Requirements on Registration Documents

Article 12 An overseas non-financial enterprise issuing debt financing instruments shall prepare the registration documents in accordance with the relevant self-regulatory rules of NAFMII and these Guidelines.

Article 13 An overseas non-financial enterprise shall submit the following registration documents to NAFMII for offering of debt financing instruments:

- (1) a registration report (attaching its certificate of incorporation, constitutional documents, and the resolutions of its competent decision-making body or other evidencing document(s));

- (2) a letter of recommendation from each principal underwriter;
- (3) an offering circular;
- (4) the audited financial statements for the most recent three financial years, and the latest interim financial statements (if any);
- (5) a credit rating report and credit tracking assessment arrangements (if available);
- (6) legal opinions issued by a PRC law firm and a law firm qualified in the issuer's home jurisdiction, respectively;
- (7) a consent letter from the issuer's overseas auditors (if applicable);
and
- (8) other documents as required by NAFMII.

Article 14 An overseas non-financial enterprise shall submit the following registration documents to NAFMII for private placement of debt financing instruments:

- (1) a registration report (attaching its certificate of incorporation, constitutional documents, and the resolutions of its competent decision-making body or other evidencing document(s));
- (2) a letter of recommendation from each principal underwriter;
- (3) a private placement agreement or a private placement offering memorandum;
- (4) the audited financial statements for the most recent two financial years, and the latest semi-annual financial statements;
- (5) legal opinions issued by a PRC law firm and a law firm qualified in the issuer's home jurisdiction, respectively;
- (6) a consent letter from the issuer's overseas auditors (if applicable);
and
- (7) other documents as required by NAFMII.

Overseas non-financial enterprises applying for registration for issuing

debt financing instruments through entering into private placement agreements with investors are only required to submit their audited financial statements for the most recent financial year.

Article 15 If an overseas non-financial enterprise prepares consolidated financial statements, in principle, such overseas non-financial enterprise shall submit, in addition to its consolidated financial statements, the issuer's standalone financial statements, or such contents in the issuer's standalone financial condition that may have a material impact on investors' investment decisions, and include a notice paragraph at a prominent place in the registration and issuance documents.

Article 16 The credit rating reports disclosed in connection with debt financing instruments offerings by overseas non-financial enterprises shall be issued by the recognized credit rating agencies qualified to conduct rating business on the National Interbank Bond Market.

Article 17 In an offering of debt financing instruments by an overseas non-financial enterprise, the rules or requirements of the relevant regulatory authorities in the PRC shall apply to the accounting standards and audit standards under which the financial statements of such issuer are prepared.

Article 18 The legal opinion on overseas matters issued in connection with an issuance of debt financing instruments by an overseas non-financial enterprise shall be issued by a law firm qualified to practice law in the country or region where the issuer is incorporated. The legal opinion on PRC legal matters shall be issued by a qualified PRC law firm. Each law firm shall assume legal liabilities for the legal opinion issued by it.

Chapter IV Use of Proceeds

Article 19 The proceeds from the issuance of debt financing instruments by overseas non-financial enterprises shall be used in accordance with applicable laws, regulations and regulatory requirements.

Article 20 The account opening, cross-border settlements, and information reporting in connection with the proceeds from the issuance of debt financing instruments by overseas non-financial enterprises shall be in compliance with relevant rules of PBOC and the State Administration of Foreign Exchange.

Article 21 Overseas non-financial enterprises shall ensure that their use of proceeds

be in compliance with the requirements of relevant laws, regulations and national policies, strictly in accordance with the use of proceeds disclosed in the offering circular, and perform relevant information disclosure obligations. If there is a need to change the use of proceeds during the life of the debt financing instruments, the issuer shall complete relevant procedures and disclose such change at least five (5) business days prior to such change. The use of proceeds after such change shall also be in compliance with the requirements of relevant laws, regulations and national policies.

Chapter V Information Disclosure

Article 22 An overseas non-financial enterprise issuing debt financing instruments shall disclose the offering documents for the series of such debt financing instruments being offered through the websites recognized by NAFMII. Such offering documents shall at least include:

- (1) an offering circular or a supplemental offering circular;
- (2) a credit rating report and credit tracking assessment arrangements (if available);
- (3) legal opinions issued by a PRC law firm and a law firm qualified to practice law in the issuer's home jurisdiction, respectively;
- (4) the audited financial statements for the most recent three financial years, and the latest interim financial statements (if any);
- (5) a consent letter from the issuer's overseas auditors (if applicable);
and
- (6) other documents as required by NAFMII.

Article 23 An overseas non-financial enterprise issuing debt financing instruments through private placement shall disclose to the investors participating in such private placement the offering documents for the series of such debt financing instruments being offered on NAFMII's integrated business and information service platform. Such offering documents shall at least include:

- (1) a private placement agreement or a private placement offering memorandum;

- (2) legal opinions issued by a PRC law firm and a law firm qualified to practice law in the issuer's home jurisdiction, respectively;
- (3) the audited financial statements for the most recent two financial years, and the latest semi-annual financial statements;
- (4) a consent letter from the issuer's overseas auditors (if applicable);
and
- (5) other documents as required by NAFMII.

Overseas non-financial enterprises issuing debt financing instruments through entering into private placement agreements with investors are only required to disclose their audited financial statements for the most recent financial year.

Article 24 Overseas non-financial enterprises shall specify, in their registration and offering documents, relevant arrangements on meetings of holders of their debt financing instruments.

Article 25 Overseas non-financial enterprises shall periodically disclose relevant financial information. The information disclosure during the life of the debt financing instruments shall be specified in the registration and offering documents in accordance with, *mutatis mutandis*, the Rules for Information Disclosure on Debt Financing Instruments of Non-Financial Enterprises on the Interbank Bond Market (《银行间债券市场非金融企业债务融资工具信息披露规则》, “**Information Disclosure Rules**”). Financial information disclosed by an overseas non-financial enterprise on other securities markets shall also be disclosed in the National Interbank Bond Market.

Article 26 During the life of the debt financing instruments issued by an overseas non-financial enterprise, upon the occurrence of any material event that may affect the repayment ability of such issuer, any corrections to errors in the disclosed information or any modifications to accounting policies or accounting estimates, such event shall be disclosed on a timely basis. The definition of “material events” in this Article shall be specified in the registration and offering document in accordance with, *mutatis mutandis*, the definition of “material events” in the Information Disclosure Rules. Material events disclosed by an overseas non-financial enterprise on other securities markets shall also be disclosed on the National Interbank Bond Market.

Article 27 For debt financing instruments offered by an overseas non-financial enterprise, all the registration and offering documents shall be in Chinese (which means simplified Chinese for the purpose of these Guidelines) or accompanied with a Chinese version.

For debt financing instruments offered by an overseas non-financial enterprise, all information disclosed during the life of such debt financing instruments shall be, in principle, in Chinese. Where an overseas non-financial enterprise discloses information required under Articles 25 of these Guidelines in English on other securities markets, it shall, simultaneously or as soon as reasonably practicable thereafter, disclose such information in English on the National Interbank Bond Market and disclose the Chinese version of the key contents of such information in accordance with the timeline set forth in its registration and offering documents. Where an overseas non-financial enterprise discloses information required under Articles 26 of these Guidelines in English on other securities markets, it shall, simultaneously or as soon as reasonably practicable thereafter, disclose such information in English on the National Interbank Bond Market, and disclose a Chinese version or a Chinese summary within seven (7) business days upon the disclosure of the English version.

Article 28 For debt financing instruments offered by an overseas non-financial enterprise through private placement, the principal registration and offering documents shall be in Chinese or accompanied with a Chinese version. Other documents may be disclosed in either Chinese or English as agreed between the issuer and the investors participating in such private placement. Information disclosure during the life of such debt financing instruments may be made in Chinese or English as agreed between the issuer and the investors. Where there is no such agreement between the issuer and the investors, the overseas non-financial enterprise shall comply with, *mutatis mutandis*, Article 27 of these Guidelines.

Article 29 Overseas non-financial enterprises shall ensure the accuracy of the translation of all information disclosure documents and be liable for the losses incurred by investors as a result of the error(s) in the translation.

Article 30 Overseas credit enhancement entities providing credit enhancements to issuers of debt financing instruments shall comply with, *mutatis mutandis*, the information disclosure requirements for issuers.

Where an overseas parent company providing unconditional and irrevocable joint liability guarantee to its wholly-owned financing vehicle,

the overseas parent company and the issuer shall comply with the information disclosure requirements separately stipulated by NAFMII.

Chapter VI Miscellaneous

Article 31 The offering and transaction documents for issuances of debt financing instruments by overseas non-financial enterprises shall be governed by the laws of the PRC.

Article 32 Overseas non-financial enterprises and relevant intermediary institutions conducting business relating to debt financing instruments shall comply with these Guidelines. Matters not expressly provided for under these Guidelines shall be governed by the relevant self-regulatory rules of NAFMII.

Article 33 Self-regulatory disciplinary actions shall be imposed on any violations of these Guidelines and relevant self-regulatory rule in accordance with the Market Self-Disciplinary Rules relating to Debt Financing Instruments of Non-Financial Enterprises (《非金融企业债务融资工具市场自律处分规则》). NAFMII shall transfer the case of a relevant entity's alleged violation of the laws of the PRC to relevant authorities.

Article 34 The Secretariat of NAFMII shall have the authority and be responsible for the interpretation of this Guideline.

Article 35 These Guidelines shall come into effect as of the date of publication.

(II) Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)

NOTE: “Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises” (hereinafter referred to as the “Detailed Rules”) was promulgated in September 2020. In 2022, NAFMII issued “Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism” (hereinafter referred to as the “Notice”), which made some modifications to the Detailed Rules. In case of any inconsistency between the Notice and the Detailed Rules, the Notice shall prevail.

Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises

Article 1 These Detailed Rules are promulgated with a view to promoting the open-up of the bond market and clarifying the relevant matters concerning tiered management with respect to overseas non-financial enterprises issuing debt financing instruments, and in accordance with the *Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)* (《境外非金融企业债务融资工具业务指引（试行）》) and the *Rules and Procedures for Registration of Debt Financing Instruments of Non-Financial Enterprises for Public Issuance* (《非金融企业债务融资工具公开发行注册工作规程》) promulgated by the National Association of Financial Market Institutional Investors (“NAFMII”).

Article 2 In accordance with the *Rules and Procedures for the Registration of Debt Financing Instruments of Non-Financial Enterprises for Public Issuance*, the Secretariat of NAFMII, acting under the authorization of the Governing Council of NAFMII and upon the review and determination by the Bond Market Professional Committee of the NAFMII, hereby promulgates these Detailed Rules to specify the working mechanisms relating to the tiered management with respect to overseas non-financial enterprises.

Article 3 Overseas non-financial enterprises applying for the registration of

issuances of debt financing instruments shall be categorized into overseas seasoned enterprises and overseas unseasoned enterprises based on the criteria such as their market recognition and the quality of their information disclosure and subject to the respective working mechanisms for the registration and issuances accordingly.

Where an overseas enterprise has defaulted on any debt securities or deferred payment of the principal or interest on any debt securities on the domestic or overseas market and such default or late payment still continues, such overseas enterprise shall not issue any debt financing instruments.

Article 4 An overseas non-financial enterprise meeting all of the following criteria shall be an overseas seasoned enterprise:

- (1) The enterprise enjoys high market recognition on the domestic or overseas markets and has a prominent industry position and good track of credit record;
- (2) The enterprise is in solid financial condition, and its size, capital structure and profitability meet the applicable requirements set forth in the Appendix;
- (3) The enterprise's equity securities are listed on one or more major overseas securities exchanges and the enterprise has made ongoing public disclosure during the past 12 months; and the enterprise is experienced in debt offerings and has issued at least RMB10 billion or its equivalent in aggregate principal amount of debt securities worldwide in the past 36 months (See additional requirements set forth in the Appendix);
- (4) In the past 36 months, the issuer (and the guarantor, if any) has not defaulted on any debt securities or any other material debt; and none of its controlling shareholder(s) and controlled subsidiaries has defaulted on any debt securities;
- (5) In the past 36 months, the issuer (and the guarantor, if any) has not been restricted from conducting equity or debt financing in any jurisdiction due to significant violation of laws or regulations, nor has it been subject to any penalties imposed by any domestic or overseas securities regulatory authorities or securities exchanges or warning or any other self-regulatory discipline higher than warning imposed by NAFMII; nor has the *de facto* controlling person(s) of the

issuer (or the guarantor, if any) been subject to significant administrative or criminal penalties; and

- (6) Any additional requirements imposed by NAFMII for investor protection purposes.

Unless otherwise provided herein, each of the above-referenced requirements shall apply to the issuer. Where the debt financing instruments are to be issued by a subsidiary and guaranteed by the parent company who assumes joint liability thereunder, the above-referenced requirements shall apply to the guarantor.

Article 5 An overseas non-financial enterprise not meeting the criteria set forth in Article 4 shall be an overseas unseasoned enterprise.

Article 6 Overseas seasoned enterprises may prepare one set of registration documents covering multiple types of debt financing instruments, including super short-term commercial paper (SCP), commercial paper (CP), medium-term notes (MTN), perpetual notes (PN), asset-backed notes (ABN) and green notes (GN), and apply for universal registration (hereinafter referred to as “**DFI Registration**”). Alternatively, overseas seasoned enterprises may prepare registration documents for each type of debt financing instruments and separately register debt financing instruments by product. Overseas unseasoned enterprises shall separately register debt financing instruments by product.

Under the DFI Registration model, overseas seasoned enterprises shall not be required to set a registration amount at the time of registration, and may determine the product type, offering size and tenor of each series of debt financing instruments at the time of offering. An overseas seasoned enterprise having obtained DFI Registration for the first time shall, prior to each offering of the first three series of debt financing instruments, report to NAFMII on the offering terms and use of proceeds of each series of debt financing instruments and complete the modification procedures.

Where its DFI Registration documents provide for the relevant terms and disclosure arrangements for private placements, the overseas seasoned enterprise may issue debt financing instruments through private placement under the DFI Registration, and may disclose information in accordance with the applicable requirements for private placements as well as such disclosure arrangements set forth in its DFI Registration documents; where its DFI Registration documents do not so provide for such terms or disclosure arrangements or any of such terms or disclosure

arrangements are to be modified, the overseas seasoned enterprise shall report to NAFMII accordingly and complete the modification procedures prior to the private placement. Overseas seasoned enterprises may also register private placements of debt financing instruments in accordance with the *Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)* and the *Rules and Procedures for Registration of Debt Financing Instruments of Non-Financial Enterprises for Private Placement* (《非金融企业债务融资工具定向发行注册工作规程》).

An overseas seasoned enterprise that continues to meet the criteria for overseas seasoned enterprises during the validity period of its registration may file an updated set of DFI Registration documents within three months prior to the expiration of the existing DFI Registration.

Article 7 An overseas enterprise registering multiple types of debt financing instruments under a DFI Registration program or only registering super short-term commercial paper (SCP) may form a syndicate of principal underwriters at the time of registration. To change any member of the syndicate of principal underwriters, the enterprise shall provide an explanation therefor. Any new principal underwriter added to the syndicate shall conduct due diligence in accordance with applicable requirements and issue a letter of recommendation.

An overseas enterprise registering other types of debt financing instruments including short-term commercial paper (CP), medium-term notes (MTN) and/or perpetual notes (PN) separately may form a syndicate consisting of up to four principal underwriters at the time of registration, and may change any member of such syndicate pursuant to the requirements set forth above, subject to the above-referenced limit on the number of principal underwriter syndicate members. No member of the principal underwriter syndicate may be removed unless such principal underwriter discontinues its business of acting as a principal underwriter due to being imposed administrative penalties or self-regulatory disciplines.

Article 8 An overseas enterprise forming a syndicate of principal underwriters may mandate up to four principal underwriters and joint lead underwriters for an offering of a single series of no less than RMB5 billion debt financing instruments, and up to three principal underwriters and joint lead underwriters for an offering of a single series of less than RMB5 billion but no less than RMB3 billion debt financing instruments, and up to two principle underwriters and joint lead underwriters for any other offering

of debt financing instruments.

Article 9 For registration and issuance of each series of debt financing instruments, at least one principal underwriter shall have a subsidiary or branch in the country or region where the enterprise is incorporated or the principal place of its business is located, or make other necessary arrangements, to ensure that such principal underwriter have the capability to perform its duties including conducting due diligence.

Article 10 Where an overseas enterprise having registered debt financing instruments pursuant to the requirements applicable to overseas seasoned enterprises no longer meets the criteria set forth in Article 4 after the Registration Meeting of NAFMII and before the establishment of the creditor-debtor relationship in connection with its debt financing instruments, the following mechanism shall apply:

- (1) If the overseas enterprise fails to meet the criteria set forth in Articles 4(1), 4(4), 4(5) or 4(6) or its equity securities are no longer listed on a securities exchange, such overseas enterprise shall be treated as an overseas unseasoned enterprise for the purpose of registration and issuance of debt financing instruments. If such enterprise has registered debt financing instruments under a DFI Registration program, it shall modify the products, registration amount, principal underwriters and other relevant terms of debt financing instruments in accordance with the rules and regulations applicable to the registration of debt financing instruments by product. If the overseas enterprise has received a Notice of Acceptance of Registration for a DFI Registration program, NAFMII shall re-issue a Notice of Acceptance of Registration with the same expiration date as that of the replaced Notice of Acceptance of Registration, based on the modified terms.
- (2) If the overseas enterprise fails to meet the criteria set forth in Articles 4(2) or 4(3) but continues to meet other criteria set forth in Article 4, it may continue to issue debt financing instruments under its existing DFI Registration (except where its equity securities are no longer listed on a securities exchange).
- (3) Upon the occurrence of any of the events specified in the *Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises* (《境外非金融企业债务融资工具注册文件表格》) triggering refiling by the issuer (and the guarantor, if any) and review by the Registration Meeting of

NAFMII, a determination will be made by the Registration Meeting of NAFMII on whether the existing registration shall remain valid in accordance with the relevant requirements.

Article 11 NAFMII may review relevant documents for the issuance of debt financing instruments of overseas enterprises during or after the registration or issuance process and take disciplinary actions on any violation of applicable requirements under the relevant rules or guidelines based on the results of such review.

Article 12 If the NAFMII reviewers find the information disclosure in the registration documents incomplete, the lead reviewer shall collect all the opinions of the reviewers and issue a letter to the overseas enterprise or relevant intermediary institutions requesting the submission of additional information (the “**Comment Letter**”). Where an overseas enterprise registers debt financing instruments for the first time, the Comment Letter shall be issued within ten (10) business days after NAFMII’s acceptance of the registration documents. Where an overseas enterprise has previously registered debt financing instruments, the Comment Letter shall be issued within five (5) business days after NAFMII’s acceptance of the registration documents.

If, upon the receipt by the departments of registration and issuance of NAFMII of the supplemental documents from the overseas enterprise or relevant intermediary institutions, the reviewers are still of the view that the information disclosure supplemented by such supplemental documents is incomplete, the lead reviewer shall collect all the opinions and issue a Comment Letter. The Comment Letter to an overseas seasoned enterprise shall be issued within three (3) business days after NAFMII’s receipt of the supplemental documents; and the Comment Letter to an overseas unseasoned enterprise shall be issued within five (5) business days after NAFMII’s receipt of the supplemental documents. After the reviewers conclude that the information disclosure as so supplemented is complete under relevant rules and guidelines, the lead reviewer shall prepare a review report and submit such report together with the registration documents so reviewed to the Registration Meeting.

Article 13 Unless otherwise specified, issuances of debt financing instruments by overseas non-financial enterprises through private placement shall be governed by the *Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)* and the *Rules and Procedures for Registration of Debt Financing Instruments of Non-Financial Enterprises for Private Placement*, not by these Detailed Rules.

Article 14 These Detailed Rules shall become effective on the date of the promulgation thereof. Debt financing instruments registered before the promulgation of these Detailed Rules shall continue to be governed by the relevant rules and regulations in effect at the time of the registration.

Appendix: Additional Requirements for Overseas Seasoned Enterprises

Appendix: Additional Requirements for Overseas Seasoned Enterprises

I. Requirements on Operating and Financial Conditions

An overseas seasoned enterprise must meet one of the following criteria:

1. its total assets greater than RMB100 billion or its equivalent, debt to asset ratio lower than 85%, and return on total assets ratio more than 3%; or
2. its total assets greater than RMB100 billion or its equivalent, debt to asset ratio lower than 75%, and operating income larger than RMB20 billion or its equivalent.

Notes:

1. If the amount of total assets, the debt to asset ratio, and the return on total assets ratio calculated based on either the audited financial data of the latest financial year or the average of the audited financial data of the past three financial years meet the above-referenced criteria, such criteria shall be deemed being met. Return on total assets ratio (%) = $\text{EBIT} / \text{average total assets} \times 100\%$; EBIT = gross profit + interest expense under financial expenses.
2. For overseas enterprises whose total assets exceed RMB300 billion or its equivalent with high market recognition on the domestic or overseas markets, prominent industry position, good track of credit record and high quality of information disclosure, the requirements on the debt to asset ratio, return on total asset ratio and/or operating income may be relaxed appropriately.

II. Requirements on Debt Financing Experience

An overseas seasoned enterprise shall have issued at least RMB10 billion or its equivalent in aggregate principal amount of debt securities worldwide in the past 36 months. All types of debt securities with a tenor of at least ninety (90) days (including, among others, convertible bonds, perpetual bonds and asset-backed securities, and excluding syndicated loans) that are tradable and transferrable among certain investors can be included in the calculation of issue size, regardless of whether the debt securities were issued through public offering or private placement. Debt securities issued directly by the enterprise, debt securities issued by its subsidiaries and guaranteed by such enterprise who assumes joint liability thereunder, debt securities issued by merged or acquired entities and debt securities acquired through debt assumption can be included in the calculation of issue size.

(III) Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises (September, 2020)

NOTE: “Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-Financial Enterprises” (hereinafter referred to as the “Detailed Rules”) was promulgated in September 2020. In 2022, NAFMII issued “Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism” (hereinafter referred to as the “Notice”), which made some modifications to the Detailed Rules. In case of any inconsistency between the Notice and the Detailed Rules, the Notice shall prevail.

Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises

General Instructions

I. Checklists of Registration/Filing Documents

- (I) Overseas enterprises registering and issuing debt financing instruments shall file registration documents in accordance with the Checklist of Registration Documents for Debt Financing Instruments of Overseas Non-financial Enterprises (Form FY). Overseas enterprises registering and issuing debt financing instruments through private placement shall file registration documents in accordance with the Checklist of Registration Documents for Private Placements of Debt Financing Instruments by Overseas Non-financial Enterprises (Form FDY).
- (II) Where an overseas enterprise is required to file with NAFMII prior to the issuance of its follow-on offering(s) of debt financing instruments, such overseas enterprise shall submit the filing documents in accordance with the Checklist of Filing Documents for Debt Financing Instruments of Overseas Non-financial Enterprises (Form FYB).

II. Registration Reports

- (I) Overseas seasoned enterprises registering debt financing instruments under the DFI Registration model shall prepare their registration reports in accordance with the *Template of Registration Report for DFI Registration of Overseas*

Seasoned Enterprises (《境外成熟层企业统一注册的注册报告模板》). Overseas seasoned enterprises registering debt financing instruments by product type shall prepare their registration reports pursuant to the existing requirements and indicate “whether the criteria for overseas seasoned enterprises are met” in “V. Supplemental Information” in their registration reports.

- (II) Overseas unseasoned enterprises issuing debt financing instruments and overseas enterprises issuing debt financing instruments through private placement shall prepare their registration reports in accordance with the existing requirements.

III. Disclosure in Offering Circulars of Overseas Enterprises

- (I) In principle, an overseas seasoned enterprise shall disclose information in its offering circulars used in its registration and first issuance of its debt financing instruments in accordance with the relevant requirements under the *Form Requirements for Information Disclosure in Offering Circulars of Overseas Seasoned Enterprises (Form FM)* (《境外成熟层企业募集说明书信息披露表》), and disclose information in its offering circular or supplemental offering circular for each follow-on offering of its debt financing instruments in accordance with the relevant requirements under Form FM or Form FBM.

Overseas unseasoned enterprises registering and issuing debt financing instruments shall disclose information in their offering circulars in accordance with, *mutatis mutandis*, the relevant requirements for unseasoned enterprises under the *Form Requirements for Registration Documents of Debt Financing Instruments by Non-Financial Enterprises for Public Offerings (2020)* (《非金融企业债务融资工具公开发行注册文件表格体系(2020版)》) (the “**Form Requirements (2020 version)**”).

- (II) Overseas enterprises registering and issuing debt financing instruments through private placement shall disclose information in their private placement offering memoranda in accordance with, *mutatis mutandis*, the relevant requirements under the *Form Requirements for Registration Documents of Debt Financing Instruments by Non-Financial Enterprises for Private Placements (2020)* (《非金融企业债务融资工具定向发行注册文件表格体系(2020版)》) (the “**Form Requirements for Private Placements (2020 version)**”). Where a private placement agreement is used, the relevant disclosure shall be in accordance with, *mutatis mutandis*, the relevant requirements under the *Private Placement Agreements for Debt Financing Instruments (2020 version)* (《债务融资工具定向发行协议(2020版)》).
- (III) In the case of private placement, overseas seasoned enterprise registering debt financing instruments under the DFI Registration model may disclose information in accordance with, *mutatis mutandis*, the requirements under

Form FM or Form FBM (specifying private placement terms and information disclosure arrangements); alternatively, they may separately register private placements of debt financing instruments and disclose information in accordance with, *mutatis mutandis*, the applicable form requirements for private placements promulgated by NAFMII.

IV. Language and Timing of Ongoing Disclosure shall be set forth in the Registration and Offering Documents

- (I) Overseas enterprises shall, in accordance with the *Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)* (《境外非金融企业债务融资工具业务指引（试行）》), specify in their offering circulars the language(s) and timing for periodical disclosure of financial information on the National Interbank Bond Market during the life of their debt financing instruments.

If an overseas enterprise discloses its audited annual financial reports, semi-annual financial statements and quarterly financial statements (if any) in traditional Chinese on other markets, it shall agree to disclose such information in simplified Chinese simultaneously or as soon as reasonably practicable thereafter on the National Interbank Bond Market.

If an overseas enterprise discloses its audited annual financial reports, semi-annual financial statements and quarterly financial statements (if any) in English on other securities markets, it shall agree to disclose such information in English simultaneously or as soon as reasonably practicable thereafter on the National Interbank Bond Market and provide the timing for disclosure of the key contents of such information (which shall at least include the primary tables (and not the notes) of their financial statements and the audit reports (where applicable)) in simplified Chinese.

- (II) As to the language(s) and timing for information disclosure for private placements, overseas enterprises shall comply with the *Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)*.

V. Requirements for Overseas Enterprises on Updating Financial Disclosure

- (I) Where an overseas seasoned enterprise has disclosed its new audited annual financial report after the registration and before the issuance of debt financing instruments and such issuance is launched beyond six months after the end of its latest financial year, such overseas seasoned enterprise shall, in accordance with Form FM or Form FBM, provide an updated disclosure of such annual financial information in the offering circular (or the supplemental offering circular) to be released on the designated disclosure platforms.

Where an overseas seasoned enterprise has disclosed new semi-annual financial

statements after the registration and before the issuance of debt financing instruments and such issuance is launched beyond four months after the end of the first half of the financial year, such overseas seasoned enterprise shall, in accordance with the requirements under FM-5-8, FM-6-1 or FM-6-2 of Form FM (or the requirements under FBM-5-2, FBM-6-1 or FBM-6-2 of Form FBM), provide an updated disclosure of such semi-annual financial information in the offering circular (or the supplemental offering circular) to be released on the designated disclosure platforms.

For overseas seasoned enterprises disclosing quarterly financial statements on the overseas markets, such quarterly financial statements shall be disclosed on the National Interbank Bond Market. Nevertheless, it is not a mandatory requirement to provide an updated disclosure of the first or third quarter financial information in the offering circular.

- (II) Where an overseas unseasoned enterprise has disclosed a new audited annual financial report after the registration and before the issuance of debt financing instruments and such issuance is launched beyond six months after the end of its latest financial year, such overseas unseasoned enterprise shall, in accordance with, *mutatis mutandis*, Form M of the Form Requirements (2020 version), provide an updated disclosure of such annual financial information in the offering circular (or the supplemental offering circular) to be released on the designated disclosure platforms.

Where an overseas unseasoned enterprise has disclosed new semi-annual financial statements after the registration and before the issuance of debt financing instruments and such issuance is launched beyond four months after the end of the first half of the financial year, or where an overseas unseasoned enterprise has disclosed new quarterly financial statements (if any) and such issuance is launched beyond forty-five (45) days after the end of the financial quarter, such overseas unseasoned enterprise shall, in accordance with, *mutatis mutandis*, the requirements of BM-5-2, BM-6-1 or BM-6-2 under Form BM of the Form Requirements (2020 version), provide an updated disclosure of such semi-annual or quarterly financial information in the offering circular (or the supplemental offering circular) to be released on the designated disclosure platforms.

For overseas unseasoned enterprises disclosing quarterly financial statements on the overseas markets, such quarterly financial statements shall be disclosed on the National Interbank Bond Market. Nevertheless, for listed companies, it is not a mandatory requirement to provide an updated disclosure of the first or third quarter financial information in the offering circular.

- (III) Where an overseas enterprise issuing debt financing instruments through private placement has disclosed a new audited annual financial report after the registration and before the first issuance of debt financing instruments and such

issuance is launched beyond six months after the end of its latest financial year, such overseas enterprise shall update the offering documents in accordance with, *mutatis mutandis*, the relevant requirements under the Form Requirements for Private Placements (2020 version).

Where an overseas enterprise has disclosed new semi-annual financial statements after the registration and before the private placement of debt financing instruments, such semi-annual financial statements shall be disclosed to investors simultaneously. Nevertheless, no amendment to the offering documents is required.

VI. Investor Protection Mechanisms

- (I) Overseas seasoned enterprises issuing debt financing instruments may specify, in their offering circulars, the provisions for bondholder meetings and, in accordance with the requirements under FM-0-3, provide a notice to investors in the Important Notice section of their offering circulars.
- (II) Overseas unseasoned enterprises issuing debt financing instruments shall specify, in their offering circulars, the provisions for bondholder meetings in accordance with, *mutatis mutandis*, the requirements under M-12 of Form M under the Form Requirements (2020 version).
- (III) Overseas seasoned enterprises issuing debt financing instruments through private placement may specify, in their private placement offering memoranda, the provisions for bondholder meetings and provide a notice to investors in the Important Notice section of their private placement offering memoranda.

Overseas unseasoned enterprises issuing debt financing instruments through private placement shall specify, in their private placement offering memoranda, the provisions for bondholder meetings in accordance with, *mutatis mutandis*, the requirements under DM-11 of Form DM under the Form Requirements for Private Placements (2020 version), or specify, in their private placement agreements, the provisions for bondholder meetings in accordance with, *mutatis mutandis*, the requirements under DX-7-1 of Form DX under the Form Requirements for Private Placements (2020 version).

- (IV) Overseas enterprises shall provide, in the relevant sections (including, among others, the Important Notice, Risk Factors and Trustee Arrangements sections) of their offering circulars, a notice to investors of the legal impediments that may prevent a trustee from participating in cross-border judicial procedures.

VII. Due Diligence on Material Events Prior to Issuance

- (I) Prior to an issuance of debt financing instruments by an overseas enterprise during the validity period of the registration, the principal underwriter(s) and the overseas enterprise shall check and determine, in accordance with, *mutatis mutandis*, Forms MQ.7-1, MQ.7-2, MQ.7-3 and MQ.7-4 under the Form

Requirements (2020 version), whether any material events have occurred to such overseas enterprise, and check and determine, in accordance with Form FMQ.7-5 under the Form Requirements (2020 version), whether refiling with the Registration Meeting of NAFMII is triggered. Such overseas enterprise shall make relevant disclosure in the Important Notice and other relevant sections of the offering circular and in other relevant offering documents.

- (II) Prior to an issuance of debt financing instruments by an overseas enterprise through private placement during the validity period of the registration, the principal underwriter(s) and the overseas enterprise shall check and determine, in accordance with, *mutatis mutandis*, Forms D.13-1, D.13-2, D.13-3 and D.13-4 under the Form Requirements for Private Placements (2020 version), whether any material events have occurred to such overseas enterprise, and check and determine, in accordance with Form FMQ.7-5 under the Form Requirements (2020 version), whether filing with the Registration Meeting of NAFMII is triggered. Such overseas enterprise shall make relevant disclosure in the Important Notice and other relevant sections of the private placement offering memorandum and in other relevant offering documents.
- (III) Where any material event triggering filing (refiling) with the Registration Meeting of NAFMII has occurred, the overseas enterprise and principal underwriter(s) shall report to NAFMII in a timely manner and submit supplemental materials to the Registration Meeting of NAFMII for review and determination. Where a material event having occurred to an overseas seasoned enterprise does not trigger filing (refiling) with the Registration Meeting of NAFMII, such overseas seasoned enterprise may amend its disclosure documents and release them on the designated disclosure platforms. Where any material event has occurred to an overseas unseasoned enterprise, such overseas unseasoned enterprise shall make supplemental disclosure and file with NAFMII. Where no material event has occurred, overseas enterprises shall represent, in accordance with the requirements under the Form Requirements for Information Disclosure in Issuance Plans (Form FA) or the Form Requirements for Information Disclosure in Issuance Plans for Private Placements (Form DFA), that no material event has occurred.
- (IV) Legal counsel shall, prior to the disclosure of the offering documents, issue an updated legal opinion with respect to the legal matters of the overseas enterprise as of the date of the offering circular, the private placement offering memorandum or the private placement agreement in accordance with the relevant requirements of NAFMII.

VIII. Miscellaneous

Matters not expressly provided for under this Form shall be handled in accordance with, *mutatis mutandis*, the relevant requirements of the Form Requirements (2020 version), Form Requirements for Private Placements (2020 version) and the *Private*

Placement Agreements for Debt Financing Instruments (2020 version).

**Checklist of Registration Documents for Debt Financing Instruments of Overseas
Non-financial Enterprises (Form FY)**

(XX [enterprise name] XX [year] XX [series] XX [product type])

No.	Type of Document	Tick	Notes
FY-1	Registration report		
	- attaching the documents evidencing the issuer's due incorporation in an overseas jurisdiction, its constitutional documents, resolutions of its competent decision-making body or other evidencing documents		
FY-2	Letter(s) of recommendation		
FY-3	Offering circular (M or FM)		
FY-4	Audited reports		
	The latest interim financial statements (if any)		
	Audited financial report for the year of 20**		
	Audited financial report for the year of 20**		
	Audited financial report for the year of 20**		
FY-5	Rating reports (P) ¹		
	Credit rating report and follow-on credit rating arrangements for the enterprise		
	Credit rating report and follow-on credit rating arrangements for the bonds		
FY-6	Credit enhancement (if any)		
	Letter of credit enhancement (Z)		
	- attaching the business license or other documents evidencing the credit enhancement institution's due incorporation in an overseas jurisdiction		
	- attaching the constitutional documents and resolutions of the competent decision-making body of the credit enhancement institution		
	Credit enhancement agreement		
	The latest interim financial statements of the credit enhancement institution (if any)		

¹ Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary, the guarantor shall be rated and the issuer is not required to be rated.

	Audited financial report of the credit enhancement institution for the year of 20** ²		
	Audited financial report of the credit enhancement institution for the year of 20**		
	Audited financial report of the credit enhancement institution for the year of 20**		
	Credit rating report and follow-on credit rating arrangements for the credit enhancement institution		
FY-7	Legal opinions (F)		
	- issued by the PRC legal counsel and the overseas counsel, respectively		
FY-8	Trustee agreement ³		
FY-9	Consent letter from the issuer's auditors (if applicable)		
FY-10	Others (If there are any supplemental documents, please add a line here and indicate the name of each document)		
Notes			
Signature or seal of the responsible person of the lead underwriter			
Signature or seal of the lead underwriter			
[Date]			

² Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary, the guarantor shall provide its audited financial reports and financial statements pursuant to the requirements for the issuer.

³ Overseas seasoned enterprises are not required to submit a trustee agreement at the time of registration. Overseas unseasoned enterprise shall submit a trustee agreement for the first series of debt financing instruments under the issuance program being registered at the time of registration. For each issuance under the registration program, the issuer, whether an overseas seasoned enterprise or an overseas unseasoned enterprise, shall appoint a trustee for each series of debt financing instruments under the market-oriented and rule of law principles, and disclose the contents of the trustee agreement in accordance with the relevant self-regulatory rules of NAFMII and the relevant form requirements.

Checklist of Filing Documents for Debt Financing Instruments of Overseas Non-financial Enterprises (Form FYB)

(XX [enterprise name] XX [year] XX [series] XX [product type])

No.	Type of Document	Tick	Notes
FYB-1	Registration report (for pre-issuance filing) ⁴		
FYB-2	Supplemental offering circular (BM or FBM)/supplemental private placement offering memorandum (BDM)/private placement agreement and information disclosure documents (DX, F1)		
FYB-3	Audit reports		
	The latest interim financial statements (if any)		
	Audited financial report for the year of 20**		
FYB-4	Rating report(s) (P) ⁵		
	Credit rating report and follow-on credit rating arrangements for the enterprise (if applicable)		
	Credit rating report and follow-on credit rating arrangements for the bonds (if applicable)		
FYB-5	Credit enhancement (if any)		
	Letter of credit enhancement (Z)		
	Credit enhancement agreement		
	The latest interim financial statements of the credit enhancement institution (if any)		
	Audited financial report of the credit enhancement institution for the latest year		
	Credit rating report and follow-on credit rating arrangements for the credit enhancement institution (if applicable)		
FYB-6	Legal opinions (F)		

⁴ Enterprises shall represent in the notes of the registration report as follows: “The enterprise undertakes that it will strictly follow the laws and regulations, including Article 11 of the *Administrative Rules on Debt Financing Instruments for Non-Financial Enterprises on the Interbank Bond Market* (《银行间债券市场非金融企业债务融资工具管理办法》) and the registration and issuance rules and guidelines of NAFMII, and will not engage in unfair competition, transfer improper interest or disrupt market orders, and it will determine the issuance price (interest rate) of debt financing instruments in a market-oriented manner and did not enter into a prior agreement on a specific issuance price (interest rate) at the stage of deal origination.”

⁵ Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary, the guarantor shall be rated and the issuer is not required to be rated.

	- issued by the PRC legal counsel and the overseas counsel, respectively		
FYB-7	Trustee agreement ⁶		
FYB-8	Consent letter from the issuer's overseas auditors (if applicable)		
FYB-9	Others (If there are any supplemental documents, please add a line here and indicate the name of each document)		
Notes			
Signature or seal of the responsible person of the lead underwriter			
Signature or seal of the lead underwriter			
			<i>[Date]</i>

⁶ Overseas seasoned enterprises are not required to submit a trustee agreement at the time of registration. Overseas unseasoned enterprise shall submit a trustee agreement for the first series of debt financing instruments under the issuance program being registered at the time of registration. For each issuance under the registration program, the issuer, whether an overseas seasoned enterprise or an overseas unseasoned enterprise, shall appoint a trustee for each series of debt financing instruments under the market-oriented and rule of law principles, and disclose the contents of the trustee agreement in accordance with the relevant self-regulatory rules of NAFMII and the relevant form requirements.

Checklist of Registration Documents for Private Placements of Debt Financing Instruments by Overseas Non-financial Enterprises (Form FDY)

(XX [enterprise name] 20XX - 20XX[years] Private Placement of Debt Financing Instruments)

No.	Type of Document	Tick	Notes
FDY-1	Registration report ⁷		
	- attaching the documents evidencing the issuer's due incorporation in an overseas jurisdiction, its constitutional documents, resolutions of its competent decision-making body or other evidencing document(s)		
FDY-2	Letter(s) of recommendation		
FDY-3	<input type="checkbox"/> Private placement offering memorandum (DM)/ <input type="checkbox"/> private placement agreement and information disclosure documents (DX, F1)		
FDY-4	Audit reports		
	<input type="checkbox"/> The latest interim financial statements		
	Audited financial report for the year of 20**		
	Audited financial report for the year of 20**		
FDY-5	Legal opinions (DF)		
	- issued by the PRC legal counsel and the overseas counsel, respectively		
FDY-6	Rating report (DP) (if any)		
FDY-7	Credit enhancement (if any)		
	Letter of credit enhancement (DZ)		
	- attaching the business license or other documents evidencing the credit enhancement institution's due incorporation in an overseas jurisdiction		

⁷ Enterprises shall represent in the notes of the registration report as follows: "The enterprise undertakes that it will strictly follow the laws and regulations, including Article 11 of the *Administrative Rules on Debt Financing Instruments for Non-Financial Enterprises on the Interbank Bond Market* (《银行间债券市场非金融企业债务融资工具管理办法》) and the registration and issuance rules and guidelines of NAFMII, and will not engage in unfair competition, transfer improper interest or disrupt market orders, and it will determine the issuance price (interest rate) of debt financing instruments in a market-oriented manner and did not enter into a prior agreement on a specific issuance price (interest rate) at the stage of deal origination."

	- attaching the constitutional documents, resolutions of the competent decision-making body and internal control policies and procedures of the credit enhancement institution		
	Credit enhancement agreement		
	Audited financial report of the credit enhancement institution for the year of 20**8		
	Audited financial report of the credit enhancement institution for the year of 20**		
	Credit rating report for the credit enhancement institution (if any)		
FDY-8	Trustee agreement ⁹		
FDY-9	Consent letter from the issuer's overseas auditors (if applicable)		
FDY-10	Others (If there are any supplemental documents, please add a line here and indicate the name of each document)		
Notes			
Signature or seal of the responsible person of the lead underwriter			
Signature or seal of the lead underwriter			
			[Date]

⁸ Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary, the guarantor shall provide its audited financial reports pursuant to the requirements for the issuer.

⁹ Overseas seasoned enterprises are not required to submit a trustee agreement at the time of registration. Overseas unseasoned enterprise shall submit a trustee agreement for the first series of debt financing instruments under the issuance program being registered at the time of registration. For each issuance under the registration program, the issuer, whether an overseas seasoned enterprise or an overseas unseasoned enterprise, shall appoint a trustee for each series of debt financing instruments under the market-oriented and rule of law principles, and disclose the contents of the trustee agreement in accordance with the relevant self-regulatory rules of NAFMII and the relevant form requirements.

Template of Registration Report for DFI Registration of Overseas Seasoned Enterprises

Registration Report			
<p>The Issuer and the guarantor (if any)) hereby represents that it has carefully read, and understands, the applicable rules and guidelines of NAFMII, and agrees to accept NAFMII’s self-regulatory supervision; it will disclose information in a true, accurate, complete and timely manner in strict compliance with applicable rules, and ensure that the registration documents contain no false records, misleading statement or material omission; it will strictly follow the laws and regulations, including Article 11 of the <i>Administrative Rules on Debt Financing Instruments for Non-Financial Enterprises on the Interbank Bond Market</i> (《银行间债券市场非金融企业债务融资工具管理办法》) and the registration and issuance rules and guidelines of NAFMII, and will not engage in unfair competition, transfer improper interest or disrupt market orders, and it will determine the issuance price (interest rate) of debt financing instruments in a market-oriented manner and did not enter into a prior agreement on a specific issuance price (interest rate) at the stage of deal origination; during the offering and trading of the debt financing instruments, the Enterprise will follow the principles of being open, fair, impartial, creditworthy and self-disciplined; the Enterprise agrees to accept, and cooperate on, the investigations by NAFMII into any transactions during the life of the debt financing instruments; the Enterprise will perform the obligations to make full payment of the principal and interest of the debt financing instruments, and, upon the occurrence of any material event affecting its repayment ability, will perform the relevant obligations in accordance with applicable rules and guidelines.</p>			
I. Basic Registration Information of Enterprise			
*Enterprise name		Former name	
*Title of registration report	Registration Report on Issuance by XX [<i>enterprise name</i>] of its 20XX-20XX [<i>years</i>] Debt Financing Instruments ¹⁰		
*Organization code/Uniform Social Credit Code		* Nature of Enterprise	
*Place of incorporation			
*Address			
*Contact		*Telephone	
*Legal representative of the Enterprise		Date of incorporation (YYYYMMDD)	
*NAFMII Industry Classification		*NAFMII Industry Sub-classification	

¹⁰ For “Title of registration report”, please use a title in the form of “Registration Report on Issuance by XX [enterprise name] of its 20XX-20XX [*years*] Debt Financing Instruments”.

*Statistics Bureau Industry Classification		*Statistics Bureau Industry Sub-classification	
*Enterprise's size		*Ownership and control structure	
*Whether the Issuer is listed or not		Listing venue	
Stock code		Name and code of listed subsidiary company	
*Controlling shareholder		*The controlling shareholder and its shareholding percentage (%)	
*The ultimate <i>de facto</i> controlling person		Other related parties	
Description of the controlling shareholder and the ultimate <i>de facto</i> controlling person			
*Major products and market shares			
Primary Business Segments and Market Share (For Latest Year)			
Business segment	Business revenue (RMB'10,000)	Operating profit (RMB'10,000)	% of total
II. Registration Information of Enterprise			
*Whether the Issuer accepts NAFMII's self-regulatory supervision		*Registration currency	
*Category of the Issuer			
Description of the categorization			

(please refer, point by point, to the relevant requirements under the <i>Rules and Procedures for Registration of Public Offerings of Debt Financing Instruments by Non-Financial Enterprises</i> (《债务融资工具公开发行注册工作规程》) and fill in this box.)					
*Registered product type				*Registered amount (RMB '100 million)	
Amount of first issuance (in RMB '100 million)				Tenor of debt financing instruments in the first issuance (in days/years)	
Method of financing				Follow-on offering plans	
*Credit enhancement for first issuance (Y/N)				* Forms of credit enhancement (multiple options permitted)	
Description of credit enhancement					
Name of credit enhancement institution				Credit rating of credit enhancement institution	
Mortgaged assets					
Book value of mortgaged assets (in RMB '100 million)		Appraiser of mortgaged assets		Appraisal amount of mortgaged assets (in RMB '100 million)	
Pledged assets					
Book value of pledged assets (in RMB '100 million)		Appraiser of pledged assets		Appraisal amount of pledged assets	

				(in RMB '100 million)		
*Whether the Issuer and its subsidiaries have issued any direct debt financing instruments (including enterprise bonds, corporate bonds and all other product types)						
Description of the direct debt financing instruments issued by the Issuer and its subsidiaries (as of the date of the submission of this registration report)						
Product Type	Public Offering		Private Placement		Remarks on registered amount and outstanding amount	Description of issuance (including but not limited to the time, tenor, product type, issuing entity and method of offering)
	*Registered and valid amount (in RMB '100 million)	*Outstanding Amount (in RMB '100 million)	*Registered and valid amount (in RMB '100 million)	*Outstanding Amount (in RMB '100 million)		
CP						
MTN						
PN						
ABN						
PRN						
Enterprise Bonds						
Corporate Bonds						
Convertible Bonds						
Others						
Total						
III. Enterprise's Rating Information						
*Previous issuer rating			*Previous rating agency		*Whether the previous rating agency accepts NAFMII's self-regulatory supervision	

*Whether rated by two rating agencies					
*Issuer credit rating 1		*Type of rating agency 1		*Name of rating agency 1	
Issuer credit rating 2		Type of rating agency 2		Name of rating agency 2	
Issuer credit rating 3		Type of rating agency 3		Name of rating agency 3	
*Credit rating 1 on the bonds		*Type of rating agency 1		*Name of rating agency 1	
Credit rating 2 on the bonds		Type of rating agency 2		*Name of rating agency 2	
Credit rating 3 on the bonds		Type of rating agency 3		Name of rating agency 3	
*Whether the rating agency accepts NAFMII's self-regulatory supervision					
IV. Basic Information of Intermediary Institutions					
*Lead underwriter ¹¹			Underwriting percentage of lead underwriter (%)		
Joint lead underwriter			Underwriting percentage of joint lead underwriter (%)		
*Post-issuance manager ¹²			*Bookrunner ¹³		
*Form of underwriting			Underwritten amount (in RMB '100 million)		
*Contact person of lead underwriter			*Contact phone number of lead underwriter		

¹¹ For "Lead underwriter", please fill in the name of the lead underwriter (namely, the principle underwriter in charge of the preparation of the registration materials).

¹² For "Post-issuance manager", please fill in the name of the lead underwriter (namely, the principle underwriter in charge of the preparation of the registration materials).

¹³ For "Bookrunner", please fill in the name of the lead underwriter (namely, the principle underwriter in charge of the preparation of the registration materials).

Fax of lead underwriter		*Mobile of lead underwriter				
Contact person of joint lead underwriter		Contact phone number of joint lead underwriter				
Fax of joint lead underwriter						
*Members of the syndicate of principal underwriters						
*Name of the overseas legal counsel						
*Name of the PRC legal counsel		*Whether the PRC legal counsel accepts NAFMII's self-regulatory supervision				
Accounting Firms and Audit Opinions in Recent Three Years (and any Interim Period)						
Year (starting from the latest period)	Auditor of consolidated financial statements	Full name of the auditor of consolidated financial statements	Audit opinion	Audit opinion (others)	Name and opinion of the auditor of the stand-alone financial statements for the parent company	Whether the auditor accepts NAFMII's self-regulatory supervision
V. Grounds for the Enterprise meeting the criteria for an overseas seasoned enterprise¹⁴						
Explanations on the grounds						
VI. Supplemental Information						

¹⁴ All types of debt securities with a tenor of at least ninety (90) days (including, among others, convertible bonds, perpetual bonds and asset-backed securities, and excluding syndicated loans) that are tradable and transferrable among certain investors can be included in the calculation of issue size, regardless of whether the debt securities were issued through public offering or private placement. Debt securities issued directly by the enterprise, debt securities issued by its subsidiaries and guaranteed by such enterprise who assumes joint liability thereunder, debt securities issued by merged or acquired entities and debt securities acquired through debt assumption can be included in the calculation of issue size.

Issuer and guarantor (if any) corporate seal (or signature by authorized person)

[Date]

Form Requirements for Information Disclosure in Offering Circular of Overseas Seasoned Enterprises (Form FM)

No.	Key points of information disclosure	Page	Notes
	Cover Page		
	The cover page shall contain a title “xxx [name of the issuer] xxx [full name of the debt financing instruments] offering circular”, and shall specify the offering size, tenor, credit enhancement of the series of debt financing instruments being offered, the name of the enterprise, principle underwriter(s), trustee, credit rating agency or agencies, credit ratings and the date of the offering circular.		
FM-0	Representations and Undertakings, Table of Contents		
FM-0-1	The enterprise’s debt financing instruments have been registered with NAFMII. Such registration does not constitute any evaluation by NAFMII on the investment in the instruments nor any assessment on the risks involved in an investment in the instruments. Each investor subscribing for the instruments shall carefully read this offering circular and relevant disclosure documents and make its own independent analysis on the truthfulness, accuracy, completeness and timeliness of the information so disclosed, based on which it will make independent investment decisions and assume the associated investment risks on its own.		
	The overseas issuer and the guarantor (if any) (hereinafter referred to collectively as Enterprise) assume legal responsibilities for the truthfulness, accuracy, completeness and timeliness, in all material aspects, of the disclosure in this offering circular and there is no false record, misleading representation or any material omission.		
	The trustee undertakes to perform its obligations in strict compliance with the relevant laws, regulations, self-regulatory rules, guidelines and the trustee agreement, and act faithfully and diligently to the best interests of the holders of the debt financing instruments.		
	The acquisition and holding of this series of debt financing instruments through subscription or transfer is deemed the investor’s consent to the rights and obligations described in this offering circular, including the provisions in the trustee agreement, the rules of bondholder meetings and the offering circular with respect to the rights and obligations of, among		

No.	Key points of information disclosure	Page	Notes
	other parties, the enterprise, bondholders, trustee or any institution(s) performing equivalent duties.		
	The enterprise undertakes to perform its obligations in accordance with the laws and regulations as well as the covenants and undertakings contained in this offering circular.		
	As of the date of this offering circular, except as otherwise disclosed in the disclosure documents, there is no other material event or material adverse change which will affect the enterprise's repayment ability.		
FM-0-2	The table of contents shall specify the title of each section and sub-section and their corresponding page numbers.		
FM-0-3	Important Notice		
	<p>Notice to investors on issues relating to the enterprise:</p> <ul style="list-style-type: none"> a) brief disclosure of key risks, including, among others, operating risks, financial risks, industry risks and whether the cross-border offering involves withholding taxes and/or taxes on capital gains in the country or region where the issuer is located (and whether the issuer has tax gross-up obligations). It is recommended that no more than four risk factors be included in this section; b) brief disclosure of significant events, including significant mergers and acquisitions, material events, or entrusted equity management in the latest year. 		
	<p>Notice to investors on offering terms (where applicable):</p> <p>Offering terms containing certain rights, including, among others, investors' put options and/or the issuer's call options or the issuer's rights to adjust interest rates.</p>		
	<p>Notice to investors on investor protection mechanisms:</p> <ul style="list-style-type: none"> 1. notice on the provisions for meetings of bondholders: disclose, among other things, powers of bondholder meetings, voting mechanism, matters subject to extraordinary resolutions and required votes; 2. notice on the trustee arrangements: disclose, among other things, the appointment of the trustee, the execution and the binding effect of the trustee agreement, payment arrangements for the trustee's fees and expenses, legal impediments that may prevent a trustee from participating in cross-border judicial procedures; 		

No.	Key points of information disclosure	Page	Notes
	<p>3. notice on additional investor protection provisions (if any): disclose, among other things, the types of additional investor protection provisions included in the offering circular;</p> <p>4. notice on potential actions on resolution of risks or defaults and the related decision-making mechanisms (if any);</p> <p>5. liability management approaches (if any).</p>		
	<p>Notice to investors on special provisions relating to debt financing instruments of overseas non-financial enterprises: where an overseas non-financial enterprise has adopted special provisions on accounting standards, information disclosure arrangements or bondholder meetings in accordance with the <i>Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)</i> and this Form, a notice to investors on such special provisions should be included.</p>		
FM-1	Section 1: Definitions		
FM-1-1	<p>The terms and abbreviations used in the offering circular, including the terms that may not be easy for investors to understand, should be defined in this section.</p>		
FM-2	Section 2: Risk Factors		
FM-2-0	<p>The enterprise shall disclose all the factors that could materially affect its production or operation, financial condition or repayment ability, especially the difficulties, obstacles and contingent losses arising from or relating to its business, marketing, technology, finance, industry environment, business prospects or financing channels, based on materiality. Where the relevant risk factors have caused any losses in the latest financial reporting period, such losses shall be clearly stated.</p>		
FM-2-0	<p>The enterprise shall describe the relevant risk factors adequately, accurately and specifically based on its actual circumstances, and shall provide quantitative analyses in the risk factors disclosed. Where a quantitative analysis is not practicable, a detailed and specific qualitative description shall be provided. The enterprise shall clearly emphasize in <i>boldface</i> the risks and possible consequences, and shall not merely list the types of risks. If the enterprise chooses to disclose the corresponding countermeasures to the risks, it</p>		

No.	Key points of information disclosure	Page	Notes
	shall only disclose the specific measures that have been taken to address the risks. The enterprise shall not describe the measures that have not been taken in this section.		
FM-2-1	<p>The enterprise shall list risk factors by category, including investment risks, financial risks, operating risks, management risks, policy risks, risks relating to cross-border offering and risks relating to obtaining RMB through domestic and overseas channels by the issuer (specific categories may vary). Within each category, risks factors shall be ranked in the order of materiality.</p> <p>The overseas enterprise shall disclose the following risks based on the legal system in its jurisdiction:</p> <p>a) applicable laws governing its bankruptcy; and</p> <p>b) legal impediments that may prevent a trustee from participating in cross-border judicial procedures.</p>		
FM-3	Section 3: Offering Terms¹⁵		
FM-3-1	<p>Key offering terms – the name of the debt financing instruments, full name of the enterprise, principal underwriter(s), bookrunner(s), trustee, the enterprise’s outstanding balance of debt securities and instruments, serial number of the Notice of Registration Acceptance, registered amount, offering size, tenor, denomination, method for the determination on the issue price or interest rate, form of offering, form of custody, target investors, coupon rate, form of underwriting, announcement date, offering date(s), interest accrual commencement date, settlement date, date of creation of the creditor-debtor relationship, first trade date, interest payment dates, repayment amount, method of repayment, maturity date, bond status and ranking in payments, credit rating agency or agencies and credit rating result(s), guarantee and/or other credit enhancement measures (if any), and bond registration and custody institution.</p> <p>Enterprises adopting the dynamic adjustment mechanism to determine the issuance amount shall disclose the basic offering size and the cap of the issuance amount of this series of debt financing instruments.</p>		

¹⁵ Under the DFI Registration model, overseas seasoned enterprises are not required to disclose offering terms at the time of registration and may determine such terms at the time of issuance.

No.	Key points of information disclosure	Page	Notes
FM-3-2	Offering terms containing rights (if any) – including, among others, call options or put opinions; exchangeable/convertible to stock (if applicable); clawback between tranches (if any). Provide a detailed description of such rights and the procedures for the exercise thereof.		
FM-3-3	Offering arrangements – arrangements for bond issuance, registration and custody, settlement and trading, including but not limited to, the arrangements for bookbuilding, bidding (if any), distribution, payment and settlement.		
FM-3-4	Offering arrangements – Where the enterprise issues the debt financing instruments through a bidding process, it shall disclose the announcement date, the bidding system, bidding methodologies, how bidders submit bids, the parameter settings of the bidding system, the timing of the bidding, bidding documents and slots, contingency bids, how the winning bids are selected, plan of distribution, payment and settlement arrangements, bond registration and custody arrangements, and trading arrangements.		
FM-4	Section 4: Use of Proceeds¹⁶		
FM-4-1	<p>Use of proceeds – disclose the arrangements of the use of proceeds, such as repayment of existing debt, replenishment of working capital, investments in projects, equity investments or acquisition of assets, and whether such use of proceeds is in compliance with applicable laws and regulations.</p> <p>The proceeds shall be used for the enterprise’s production and operations based on its actual needs. Where the proceeds are used overseas, the applicable laws and regulations and regulatory requirements shall be complied with. Where the proceeds are used within the PRC, the relevant requirements of national macro-control and industry policies shall be complied with, and such proceeds shall not be used to purchase high-yield wealth management products. Where the proceeds are used for domestic equity investment or capital contributions to investment funds, the requirements of national macro-control and industry policies shall be complied with, and the proceeds shall not be used to make a capital contribution to financial institutions, nor be directly used for</p>		

¹⁶ Under the DFI Registration model, overseas seasoned enterprises are not required to disclose use of proceeds at the time of registration and may determine such terms at the time of issuance.

No.	Key points of information disclosure	Page	Notes
	<p>an investment in the stock of any listed company on the secondary market. The use of proceeds of labeled products shall be in compliance with the requirements of relevant supplemental forms.</p> <p>Where the enterprise sets up a special account for the proceeds and a special account for debt service, it shall disclose the relevant information as required. The enterprise may disclose the specific debt service plans and its measures to ensure debt service.</p> <p>Enterprises adopting the dynamic adjustment mechanism to determine the issuance amount shall disclose the use of proceeds based on the cap of the issuance amount.</p>		
FM-4-2	Undertaking – the proceeds from the offering will be used for the enterprise’s production and operations in compliance with laws, regulations and policy requirements; as long as the debt financing instruments remain outstanding, any change in the proposed use of proceeds will be disclosed in a timely manner prior to such change.		
FM-5	Section 5: Description of the Enterprise¹⁷		
FM-5-1	Basic information – the registered name, place of incorporation, principal place of business (if different from the place of incorporation), legal representative ¹⁸ , registered capital (if applicable), date of incorporation (business registration), business registration number, address and the post code, telephone number, fax number, website (stating that the information on the website does not constitute part of the offering circular unless such information is incorporated into the offering circular through reference), recent events of the enterprise relating to its repayment ability.		
FM-5-2	History – disclose the incorporation and corporate history of the enterprise based on the primary line of succession.		
FM-5-3	Controlling shareholder(s) and <i>de facto</i> controlling person(s) – their basic information and shareholding percentage. Indicate whether the issuer is directly or indirectly owned or controlled by them, and describe the nature of such control and the measures taken to ensure that such control is not		

¹⁷ Overseas seasoned enterprises may incorporate by reference to the latest offering circular already publicly disclosed on the National Interbank Bond Market if there is no material change in their basic information.

¹⁸ If the overseas issuer is located in a country or region where there is no concept of legal representative, the enterprise shall disclose the chairman or person in charge of the internal governance body responsible for day-to-day operations.

No.	Key points of information disclosure	Page	Notes
	<p>abused. Any arrangements known to the issuer that may result in a change of control of the issuer in the future shall be disclosed.</p> <p>If the issuer is a group company, in order to understand the issuer's overall business, the enterprise shall disclose the organizational chart of the group and indicate the issuer's position within the group.</p>		
FM-5-4	Independence – if the issuer is dependent on other entities in the group, such relationship shall be disclosed and explained.		
FM-5-5	Significant equity investment(s) – disclose the name, place of incorporation and share capital of each consolidated significant subsidiary ¹⁹ and the enterprise's shareholding percentage in such subsidiary.		
FM-5-6	Governance structure – governance structure and operational status.		
	Internal control system – disclose key components of the enterprise's internal control system.		
FM-5-7	Management, supervisory and executive bodies – disclose the names and positions of the members of the enterprise's internal management, supervisory and executive bodies (including, among others, directors, supervisors and senior management personnel).		
FM-5-8	Segment information – disclose the enterprise's principal business activities, including the primary categories of products sold or services provided, and their respective revenues and percentages for the latest three years and any interim period.		
FM-5-9	Development strategies (optional) – disclose strategic planning for future development.		
FM-5-10	<p>Profit forecasts or estimates (optional) – if the enterprise discloses profit forecasts or estimates on a voluntary basis, such profit forecasts or estimates shall be clear and unambiguous, and the enterprise shall state the key assumptions upon which such forecasts were made.</p> <p>Forecasts and estimates shall be made based on the following principles:</p>		

¹⁹ A subsidiary whose assets, net assets, operating income or net income represents over 35% of the enterprise's respective financial data in the latest year is a significant subsidiary. The criteria shall apply to the determination on the significance of a subsidiary.

No.	Key points of information disclosure	Page	Notes
	<ol style="list-style-type: none"> 1. such assumptions shall clearly distinguish between the factors that can be influenced by persons within the enterprise and those that are beyond its control; 2. such assumptions shall be reasonable, apprehensible, clear and accurate, and not related to the general accuracy of forecasts; 3. in the case of forecasts, the enterprise shall inform investors of the uncertain factors that may materially alter the forecast results. 		
FM-5-11	<p>Material contracts²⁰ – provide a summary on the contracts that meet the following two conditions:</p> <ol style="list-style-type: none"> 1. a contract not entered into by the enterprise in its ordinary course of business; and 2. a contract may result in obligations or rights of the enterprise or any members of its group that materially affect the enterprise’s repayment ability. 		
FM-6	Section 6: Key Financial Information of the Enterprise		
	<p>Disclose the basis of preparation, material changes in accounting policies, audit results, and significant changes in the scope of consolidated entities in the latest three years and the interim period (if any)²¹. If there has been any change in the accounting firm, the enterprise shall disclose the reason for the change; if there has been any material change in the scope of the consolidated entities, the enterprise shall disclose the reasons for such change.</p>		
FM-6-1	<p>Disclose the balance sheet, income statement and cash flow statement for the latest three years and any interim period in tabular form. Where the enterprise prepares consolidated financial statements, it shall, in principle, disclose the consolidated financial statements and the stand-alone financial statements of the parent company (or the information on the financial condition of the parent company that may significantly impact investors’ investment decisions and include a notice to investors in a conspicuous place of the registration and offering documents).</p>		

²⁰ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

²¹ For overseas seasoned enterprises, the minimum frequency for financial information updates is semi-annual.

No.	Key points of information disclosure	Page	Notes
FM-6-2	Analysis on significant line items ²² – for the accounting items which experienced significant changes, provide an analysis on the changes and the reasons for such changes.		
	Analysis on key financial indicators ²³ – financial indicators include those used to assess the enterprise’s repayment ability, profitability and operating efficiency for the latest three years and any interim period and reasons for the changes.		
FM-6-3	Interest bearing liabilities – the balance, maturity structure and guarantee structure of its interest bearing liabilities as of the end of the latest year.		
FM-6-4	Related party transactions – where the enterprise is involved in related party transactions, it shall disclose information relating thereto, including, among other things, significant related parties and the amount of related party transactions.		
FM-6-5	Contingent liabilities – disclose the contingent liabilities, including, among others, external guarantees and material commitments in the latest year.		
FM-6-6	Litigation and arbitration – disclose the information on litigation or arbitration proceedings (including pending proceedings and threatened proceedings known to the enterprise) that have (or may have) a material effect on the financial condition or profitability of the enterprise or its group in the past 12 months. In the absence of such litigation or arbitration proceedings, the enterprise shall make a conclusive statement.		
FM-6-7	Restricted assets ²⁴ – disclose the restricted assets as of the end of the latest year.		
FM-6-8	Derivatives ²⁵ – derivatives held by the enterprise as of the end of the latest year.		

²² For overseas seasoned enterprises, the minimum frequency for disclosing such information is annual. If the enterprise discloses such information on a semi-annual basis on overseas markets, it shall disclose such information and provide an analysis on the reasons for significant changes in its assets, net assets, revenues, net profit, net cashflows from operating activities and other important items on the National Interbank Bond Market.

²³ For overseas seasoned enterprises, the minimum frequency for disclosing such information is annual.

²⁴ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

²⁵ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

No.	Key points of information disclosure	Page	Notes
FM-6-9	Material investments in wealth management products ²⁶ – material investments in wealth management products held by the enterprise as of the end of the latest year.		
FM-7	Section 7: Credit Status of the Enterprise		
FM-7-1	Ratings ²⁷ – disclose the enterprise’s ratings during the latest three years and the rating agencies who rated the enterprise.		
FM-7-2	Credit facilities granted ²⁸ – total amount of the credit facilities granted, the amount being utilized and the amount available for drawdown as of the end of the latest year.		
FM-7-3	Default records – if the enterprises or any of its significant subsidiaries has records of default on payments of debts, disclose, for the latest three years and any interim period, the resolution progress, amount, timing and reasons for such default.		
FM-8	Section 8: Credit Enhancement of the Debt Financing Instruments		
FM-8-1	For debt financing instruments with credit enhancement, see Form MQ.5.		
FM-8-2	Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary (the issuer), the guarantor shall disclose information in accordance with this Form (the reporting period shall be the latest three years and any interim period for public offerings and the latest two years and any interim period for private placements). The issuer may simplify the disclosure appropriately.		
FM-9	Section 9: Taxation		
FM-9-1	Taxes relating to investment in debt financing instruments – the types, policies and related risks of such taxes, whether the taxes payable can be offset or deducted by the payments on the debt financing instruments ²⁹ and whether the issuer has tax gross-up obligations for the taxes involved.		

²⁶ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

²⁷ Under the DFI Registration model, overseas seasoned enterprises are not required to disclose the rating for the debt financing instruments at the time of registration. The ratings disclosed in this section shall be ratings assigned by recognized rating agencies on the National Interbank Bond Market; the issuer (and the guarantor, if any) may disclose ratings assigned by other rating agencies in section M-5.

²⁸ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

²⁹ This means whether the issuer may pay net amounts (net of taxes) to the holders of debt financing instruments after deducting the applicable taxes from the amount payable to such holders.

No.	Key points of information disclosure	Page	Notes
FM-9-2	Declaration – disclosure herein on taxes does not constitute tax advice to investors or any basis for tax payment.		
FM-10	Section 10: Liability Management (if any)		
FM-10-1	Liability management – during the life of the debt financing instruments, the issuer may conduct liability management with respect to the debt financing instruments based on market conditions and in accordance with applicable laws and regulations, regulatory documents and relevant self-regulatory rules and requirements of NAFMII, on the premise of full respect of the intention of investors and adequate protection of their legitimate rights and interests, and under the principles of equal rights and voluntary actions, fair payment, and being open and transparent and in good faith.		
FM-10-2	Potential liability management approaches that may be adopted by the issuer, including, among others, exchange offers (if any).		
FM-11	Section 11: Information Disclosure Arrangements		
FM-11-1	Information disclosure arrangements – the basis for information disclosure, the timing, contents and requirements for information disclosure at the offering and during the life of the debt financing instruments, including but not limited to the offering documents, periodic reports, disclosure of material events, announcements on repayment of principal and payment of interest, and the disclosure arrangements with respect to trustee reports. Overseas enterprises shall specify the relevant information disclosure arrangements in the offering circular in accordance with the <i>Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)</i> .		
FM-12	Section 12: Provisions for Meetings of Bondholders³⁰		
FM-12-1	Provisions for meetings of bondholders – the purpose of bondholder meetings and the powers and validity of resolutions of bondholder meetings. The enterprise shall state that the resolutions adopted at bondholder meetings in accordance with the self-regulatory rules of NAFMII and the procedural requirements under the provisions for bondholder meetings, as well as the special provisions (if any) included in the offering circular, are binding upon all bondholders. Where		

³⁰ Overseas seasoned enterprises may provide, in their offering circulars, certain special arrangements on meetings of bondholders and include a notice to investors in section M-0-3.

No.	Key points of information disclosure	Page	Notes
	no special provisions for bondholder meetings are included in the offering circular, the <i>Rules for Meetings of Holders of Debt Financing Instruments of Non-financial Enterprises on the National Interbank Bond Market</i> (《银行间债券市场非金融企业债务融资工具持有人会议规程》) shall apply.		
FM-12-2	Convening a meeting of bondholders – parties who may convene a meeting, circumstances triggering the convening of a meeting, obligations to convene a meeting, substitution of the convening party upon its failure to convene a meeting, and mechanisms for the issuer to convene a meeting and for bondholders to propose to convene a meeting.		
FM-12-3	Procedures for convening a meeting of bondholders – disclosure of announcements on the convening of a meeting, preparation, submission and supplement of proposals for a meeting, requirements on the contents of proposals, and the procedures of convening a meeting upon urgent requests.		
FM-12-4	Participants of a meeting of bondholders – participants and their eligibility requirements, the requirements for attorney witness.		
FM-12-5	Voting mechanism for a meeting of bondholders – voting rights and the mechanism for excluding the issuer’s affiliates from voting, matters subject to extraordinary resolutions, quorum requirements and voting thresholds for adopting extraordinary and ordinary resolutions, respectively, procedures for review of proposals, and disclosure of resolutions and the issuer’s responses.		
FM-12-6	Other interpretations and definitions, confidentiality obligations, obligations of the relevant parties, and miscellaneous provisions.		
FM-13	Section 13: Trustee Arrangements		
FM-13-1	Basic information of the trustee – the appointment of a trustee, information of the trustee institution and its contact person(s).		
FM-13-2	Conflicts of interest arising from the trustee’s various lines of business and its control measures – a statement on the trustee’s conflicts of interest, its risk control measures to prevent and mitigate such conflicts of interest.		
FM-13-3	A summary of the trustee agreement – see the trustee agreement for details.		

No.	Key points of information disclosure	Page	Notes
FM-13-4	A notice to investors on legal impediments that may prevent a trustee from participating in cross-border judicial procedures.		
FM-13-5	The governing law and dispute resolution forum of the trustee agreement shall be specified in accordance with the relevant requirements under FM-15-9.		
FM-14	Section 14: Investor Protection Provisions (if any)		
FM-14-1	Categories of investor protection provisions – provisions including but not limited to the following may be added based on the issuer’s circumstances: cross-default, covenants, negative pledge, change of control, covenants to ensure repayment funds, and asset collateralization.		
FM-14-2	Triggers of investor protection provisions – details of triggering events and thresholds shall be disclosed.		
FM-14-3	Resolution procedures – confirmation and disclosure procedures, grace period(s), remedies and waivers.		
FM-15	Section 15: Defaults, Risk Scenarios and Resolution		
FM-15-1	Events of default ³¹ – including, but not limited to, defaults on the repayment of principal or payment of interest, dissolution of the enterprise, insolvency and bankruptcy proceedings.		
FM-15-2	Liabilities for events of default – the enterprise’s liabilities for a default on the repayment of principal or payment of interest and any investor’s liabilities for a default on the payment of subscription money. This part may include, but not limited to, the obligation to issue an announcement on default, provisions on damages and the criteria for calculating damages.		
FM-15-3	Payment risks (if any) – significant uncertainties relating to the enterprise’s full and punctual repayment of the principal or payment of interest on the debt financing instruments in accordance with the contractual or legal requirements shall be disclosed.		
FM-15-4	Obligations of the enterprise – the enterprise shall disclose information in accordance with the disclosure arrangements included in the offering circular and other agreements as well as self-regulatory rules of NAFMII, implement investor protection measures and the resolutions of bondholder		

³¹ Overseas seasoned enterprises may set reasonable grace periods and inform investors in section FM-0-3.

No.	Key points of information disclosure	Page	Notes
	meetings, and cooperate with intermediary institutions to perform relevant work.		
FM-15-5	The enterprise shall disclose the mechanism to develop a contingency plan (if any) and the contents expected to be included.		
FM-15-6	Upon the materialization of any payment risk or the occurrence of an event of default to the enterprise, the enterprise shall, in accordance with applicable laws and regulations, the rules on the resolution of defaults on corporate bonds and relevant self-regulatory rules and requirements of NAFMII and under the principles of equal rights and voluntary actions, fair payment, and being open and transparent and in good faith, perform the work in an organized manner towards the resolution of risk events or defaults. Where the offering circular provides specific measures on risk and/or default resolution, such measures shall be implemented.		
FM-15-7	<p>Resolution measures (if any) – upon the materialization of any payment risk or the occurrence of an event of default, the enterprise may consult with bondholders on the resolution measures. Specific measures may include:</p> <ol style="list-style-type: none"> 1. Debt restructuring and modification of registered terms of the debt financing instruments³²; 2. Debt restructuring and repayment in other forms; or 3. Other resolution measures. <p>(The enterprise may select any specific measures. If the enterprise makes such selection, it shall disclose each measure in detail and provide the timing and the process involving the arrangements for information disclosure, bondholder meetings, execution of agreements and other procedures.)</p>		
FM-15-8	Force majeure – statutory force majeure circumstances and mitigating measures.		
FM-15-9	Governing law and dispute resolution – the enterprise shall specify in the offering circular that the issuance, performance, default resolution and the trustee mechanism of each series of debt financing instruments shall be governed by and		

³² Overseas seasoned enterprises may choose to add this provision at their discretion, and other issuers shall include this provision in the offering circular.

No.	Key points of information disclosure	Page	Notes
	interpreted in accordance with the laws of the People's Republic of China (solely for this purpose and for the purpose of the following sentences, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan), and disclose the dispute resolution mechanism, including, among others, consultation, litigation or arbitration. The dispute resolution mechanism disclosed in the offering circular shall not be in conflicts with the relevant provisions in the letter of guarantee (if any), guarantee agreement (if any) and trustee agreement. Where the enterprise chooses arbitration as the dispute resolution mechanism, it shall be clearly stated that disputes will be submitted to an arbitral tribunal within the People's Republic of China; where the enterprise chooses litigation as the dispute resolution mechanism, the enterprise shall clearly state that the disputes will be submitted to a court within the People's Republic of China and may specify the specific court(s) with jurisdiction.		
FM-15-10	Waiver of rights.		
FM-16	Section 16: Selling Restrictions		
FM-16-1	Selling restrictions in the domestic market and major relevant overseas markets.		
FM-17	Section 17: Parties Involved in the Offering		
FM-17-1	Disclose the institution name, address, legal representative ³³ , contact number, fax number and name of the contact person ³⁴ of the following parties:		
	– issuer		
	– principle underwriter(s) and other underwriter(s)		
	– trustee		
	– counsel		
	– auditors which issued audit reports for the latest three years		
– credit rating agency (if any)			

³³ If the overseas issuer or credit enhancement institution (if any) is located in a country or region where there is no concept of legal representative, the enterprise shall disclose the chairman or responsible person of the internal governance institution responsible for day-to-day operations.

³⁴ Overseas seasoned enterprises under the DFI Registration model may leave the principle underwriter(s), other underwriter(s) and the trustee blank at the time of registration.

No.	Key points of information disclosure	Page	Notes
	– credit enhancement institution (if any)		
	– bond registration, custody and settlement institution		
	– other parties involved in the offering		
	Relationship between the issuer (and the credit enhancement institution, if any) and other relevant parties – if there is any direct or indirect shareholding relationship or other relationship involving material interests between the issuer (and the credit enhancement institution, if any) and any intermediary institution involved in the offering (including the person in charge, senior management and execution team members of such intermediary institution), disclose such relationship; if there is no such relationship, the enterprise shall make a conclusive statement.		
FM-18	Section 18: Documents Available for Inspection		
FM-18-1	Documents available for inspection – including, among others, the Notice of Registration Acceptance, public disclosure documents, documents authorizing the financing and documents related to the trustee.		
FM-18-2	Address for inspection – addresses of the issuer, credit enhancement institution (if any), principle underwriter(s) and trustee ³⁵ .		
FM-18-3	Disclosure platforms – disclosure platforms designated by NAFMII.		
Notes			

³⁵ Overseas seasoned enterprises under the DFI Registration model may leave the addresses for inspection of the principle underwriter(s) and the trustee blank at the time of registration.

Form Requirements for Information Disclosure in Supplemental Offering Circular of Overseas Seasoned Enterprises (Form FBM)

No.	Key Points of Information Disclosure	Page	Notes
	Cover Page		
	The cover page shall contain a title “xxx [<i>name of the issuer</i>] xxx [<i>full name of the debt financing instruments</i>] offering circular”, and shall specify the offering size, tenor, credit enhancement of the series of debt financing instruments being offered, the name of the enterprise, principle underwriter(s), trustee, credit rating agency or agencies, credit ratings and the date of the offering circular.		
FBM-0	Representations and Undertakings, Table of Contents		
FBM-0-1	The enterprise’s debt financing instruments have been registered with NAFMII. Such registration does not constitute any evaluation by NAFMII on the investment in the instruments nor any assessment on the risks involved in an investment in the instruments. Each investor subscribing for the instruments shall carefully read this offering circular and relevant disclosure documents and make its own independent analysis on the truthfulness, accuracy, completeness and timeliness of the information so disclosed, based on which it will make independent investment decisions and assume the associated investment risks on its own.		
	The overseas issuer and the guarantor (if any) (hereinafter referred to collectively as Enterprise) assume legal responsibilities for the truthfulness, accuracy, completeness and timeliness, in all material aspects, of the disclosure in this offering circular and there is no false record, misleading representation or any material omission.		
	The trustee undertakes to perform its obligations in strict compliance with the relevant laws, regulations, self-regulatory rules, guidelines and the trustee agreement, and act faithfully and diligently to the best interests of the holders of the debt financing instruments.		
	The acquisition and holding of this series of debt financing instruments through subscription or transfer is deemed the investor’s consent to the rights and obligations described in this offering circular, including the provisions in the trustee agreement, the rules of bondholder meetings and the		

No.	Key Points of Information Disclosure	Page	Notes
	offering circular with respect to the rights and obligations of, among other parties, the enterprise, bondholders, trustee or any institution(s) performing equivalent duties.		
	The enterprise undertakes to perform its obligations in accordance with the laws and regulations as well as the covenants and undertakings contained in this offering circular.		
	As of the date of this offering circular, except as otherwise disclosed in the disclosure documents, there is no other material event or material adverse change which will affect the enterprise’s repayment ability.		
	This offering circular is a supplemental offering circular. Investors may check and review historical information in the offering circular(s) disclosed by the issuer on the relevant disclosure platforms. Please refer to “ <i>Section 17: Documents Available for Inspection</i> ” for the links to such platforms.		
FBM-0-2	The table of contents shall specify the title of each section and sub-section and their corresponding page numbers.		
FBM-0-3	Important Notice		
	<p>Notice to investors on issues relating to the enterprise:</p> <ol style="list-style-type: none"> 1. brief disclosure of key risks, including, among others, operating risks, financial risks, industry risks and whether the cross-border offering involves withholding taxes and/or taxes on capital gains in the country or region where the issuer is located (and whether the issuer has tax gross-up obligations). It is recommended that no more than four risk factors be included in this section; 2. brief disclosure of significant events, including significant mergers and acquisitions, material events, or entrusted equity management in the latest year. 		
	<p>Notice to investors on offering terms (where applicable):</p> <p>Offering terms containing certain rights, including, among others, investors’ put options and/or the issuer’s call options or the issuer’s rights to adjust interest rates.</p>		
	<p>Notice to investors on investor protection mechanisms:</p> <ol style="list-style-type: none"> 1. notice on the provisions for meetings of bondholders: disclose, among other things, powers of bondholder 		

No.	Key Points of Information Disclosure	Page	Notes
	<p>meetings, voting mechanism, matters subject to extraordinary resolutions and required votes;</p> <p>2. notice on the trustee arrangements: disclose, among other things, the appointment of the trustee, the execution and the binding effect of the trustee agreement, payment arrangements for the trustee's fees and expenses, legal impediments that may prevent a trustee from participating in cross-border judicial procedures;</p> <p>3. notice on additional investor protection provisions (if any): disclose, among other things, the types of additional investor protection provisions included in the offering circular;</p> <p>4. notice on potential actions on resolution of risks or defaults and the related decision-making mechanisms (if any);</p> <p>5. liability management approaches (if any).</p> <p>Notice to investors on special provisions relating to debt financing instruments of overseas non-financial enterprises: where an overseas non-financial enterprise has adopted special provisions on accounting standards, information disclosure arrangements or bondholder meetings in accordance with the <i>Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)</i> and this Form, a notice to investors on such special provisions should be included.</p>		
FBM-1	Section 1: Definitions		
FBM-1-1	The terms and abbreviations used in the offering circular, including the terms that may not be easy for investors to understand, should be defined in this section.		
FBM-2	Section 2: Risk Factors		
	The enterprise shall disclose all the factors that could materially affect its production or operation, financial condition or repayment ability, especially the difficulties, obstacles and contingent losses arising from or relating to its business, marketing, technology, finance, industry environment, business prospects or financing channels, based on materiality. Where the relevant risk factors have		

No.	Key Points of Information Disclosure	Page	Notes
	<p>caused any losses in the latest financial reporting period, such losses shall be clearly stated.</p> <p>The enterprise shall describe the relevant risk factors adequately, accurately and specifically based on its actual circumstances, and shall provide quantitative analyses in the risk factors disclosed. Where a quantitative analysis is not practicable, a detailed and specific qualitative description shall be provided. The enterprise shall clearly emphasize in <i>boldface</i> the risks and possible consequences, and shall not merely list the types of risks. If the enterprise chooses to disclose the corresponding countermeasures to the risks, it shall only disclose the specific measures that have been taken to address the risks. The enterprise shall not describe the measures that have not been taken in this section.</p>		
FBM-2-1	<p>The enterprise shall list risk factors by category, including investment risks, financial risks, operating risks, management risks, policy risks, risks relating to cross-border offering and risks relating to obtaining RMB through domestic and overseas channels by the issuer (specific categories may vary). Within each category, risks factors shall be ranked in the order of materiality.</p> <p>The overseas enterprise shall disclose the following risks based on the legal system in its jurisdiction:</p> <ol style="list-style-type: none"> 1. applicable laws governing its bankruptcy; and 2. legal impediments that may prevent a trustee from participating in overseas judicial procedures. 		
FBM-3	Section 3: Terms of Offering		
FBM-3-1	<p>Key offering terms – the name of the debt financing instruments, full name of the enterprise, principal underwriter(s), bookrunner(s), trustee, the enterprise’s outstanding balance of debt securities and instruments, serial number of the Notice of Registration Acceptance, registered amount, offering size, tenor, denomination, method for the determination on the issue price or interest rate, form of offering, form of custody, target investors, coupon rate, form of underwriting, announcement date, offering date(s), interest accrual commencement date, settlement date, date of creation of the creditor-debtor relationship, first trade date, interest payment dates,</p>		

No.	Key Points of Information Disclosure	Page	Notes
	<p>repayment amount, method of repayment, maturity date, bond status and ranking in payments, credit rating agency or agencies and credit rating result(s), guarantee and/or other credit enhancement measures (if any), and bond registration and custody institution.</p> <p>Enterprises adopting the dynamic adjustment mechanism to determine the issuance amount shall disclose the basic offering size and the cap of the issuance amount of this series of debt financing instruments.</p>		
FBM-3-2	Offering terms containing rights (if any) – including, among others, call options or put opinions; exchangeable/convertible to stock (if applicable); clawback between tranches (if any). Provide a detailed description of such rights and the procedures for the exercise thereof.		
FBM-3-3	Offering arrangements – arrangements for central bookbuilding, distribution, payment and settlement, registration and custody, trading and others.		
FBM-3-4	Offering arrangements – Where the enterprise issues the debt financing instruments through a bidding process, it shall disclose the announcement date, the bidding system, bidding methodologies, how bidders submit bids, the parameter settings of the bidding system, the timing of the bidding, bidding documents and slots, contingency bids, how the winning bids are selected, plan of distribution, payment and settlement arrangements, bond registration and custody arrangements, and trading arrangements.		
FBM-4	Section 4: Use of Proceeds		
FBM-4-1	<p>Use of proceeds – disclose the arrangements of the use of proceeds, such as repayment of existing debt, replenishment of working capital, investments in projects, equity investments or acquisition of assets, and whether such use of proceeds is in compliance with applicable laws and regulations.</p> <p>The proceeds shall be used for the enterprise’s production and operations based on its actual needs. Where the proceeds are used overseas, the applicable laws and regulations and regulatory requirements shall be complied with. Where the proceeds are used within the PRC, the relevant requirements of national macro-control and industry policies shall be complied with, and such proceeds</p>		

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	<p>shall not be used to purchase high-yield wealth management products. Where the proceeds are used for domestic equity investment or capital contributions to investment funds, the requirements of national macro-control and industry policies shall be complied with, and the proceeds shall not be used to make a capital contribution to financial institutions, nor be directly used for an investment in the stock of any listed company on the secondary market. The use of proceeds of labeled products shall be in compliance with the requirements of relevant supplemental forms.</p> <p>Where the enterprise sets up a special account for the proceeds and a special account for debt service, it shall disclose the relevant information as required. The enterprise may disclose the specific debt service plans and its measures to ensure debt service.</p> <p>Enterprises adopting the dynamic adjustment mechanism to determine the issuance amount shall disclose the use of proceeds based on the cap of the issuance amount.</p>		
FBM-4-2	Undertaking – the proceeds from the offering will be used for the enterprise’s production and operations in compliance with laws, regulations and policy requirements; as long as the debt financing instruments remain outstanding, any change in the proposed use of proceeds will be disclosed in a timely manner prior to such change.		
FBM-5	Section 5: Description of the Enterprise³⁶		
FBM-5-1	Basic information – basic information of the enterprise, its corporate history, controlling shareholder(s) and <i>de facto</i> controlling person(s), independence, significant equity investment(s), governance structure, internal control system, and the management, supervisory and executive bodies. Please refer to the 20** Series* Offering Circular for more details.		
FBM-5-2	Segment information – where the enterprise has disclosed new audited annual financial report or semi-annual financial statements within the period, disclose the enterprise’s principal business activities, including the primary categories of products sold or services provided,		

³⁶ Overseas seasoned enterprises may incorporate by reference to the latest offering circular already publicly disclosed on the National Interbank Bond Market if there is no material change in their basic information.

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	and their respective revenues and percentages for the latest three years and any interim period, and shall provide an analysis on the changes in the revenue of each segment within the respective periods. (Where the enterprise has not disclosed any new audited annual financial report or semi-annual financial statements since its latest offering circular, the information disclosed in the latest offering circular may be incorporated by reference.)		
FBM-5-3	<p>Profit forecasts or estimates (optional) – if the enterprise discloses profit forecasts or estimates on a voluntary basis, such profit forecasts or estimates shall be clear and unambiguous, and the enterprise shall state the key assumptions upon which such forecasts were made.</p> <p>Forecasts and estimates shall be made based on the following principles:</p> <ol style="list-style-type: none"> 1. such assumptions shall clearly distinguish between the factors that can be influenced by persons within the enterprise and those that are beyond its control; 2. such assumptions shall be reasonable, apprehensible, clear and accurate, and not related to the general accuracy of forecasts; 3. in the case of forecasts, the enterprise shall inform investors of the uncertain factors that may materially alter the forecast results. 		
FBM-5-4	<p>Material contracts ³⁷ – provide a summary on the contracts that meet the following two conditions:</p> <ol style="list-style-type: none"> 1. a contract not entered into by the enterprise in its ordinary course of business; and 2. a contract may result in obligations or rights of the enterprise or any members of its group that materially affect the enterprise’s repayment ability. 		
FBM-5-5	Other material events relating to operations – supplemental disclosure on the enterprise’s material events (including but not limited to changes in the registered capital, controlling shareholder(s) and/or <i>de facto</i> controlling person(s), franchise rights). If no material		

³⁷ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

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	event has occurred within the period, the enterprise shall make a conclusive statement.		
FBM-6	Section 6: Financial Information of the Enterprise		
FBM-6-1	<p>Where the enterprise has disclosed new audited annual financial report or semi-annual financial statements within the period, it shall disclose any changes in the basis of preparation, material changes in accounting policies or audit results, significant changes in the scope of consolidated entities, and/or change in the accounting firm. If no such change has occurred within the period, the enterprise shall make a conclusive statement. (Where the enterprise has not disclosed any new audited annual financial report or semi-annual financial statements since its latest offering circular, the information disclosed in the latest offering circular which have been released on the National Interbank Bond Market may be incorporated by reference.)</p> <p>Where the enterprise has disclosed new audited annual financial report within the period, it shall disclose the balance sheet, income statement and cash flow statement for the latest three years and any interim period in tabular form. Where the enterprise prepares consolidated financial statements, it shall, in principle, disclose the consolidated financial statements and the stand-alone financial statements of the parent company (or the information on the financial condition of the parent company that may significantly impact investors' investment decisions and include a notice to investors in a conspicuous place of the registration and offering documents). (Where the enterprise has not disclosed any new audited annual financial report since its latest offering circular, the information disclosed in the latest offering circular which have been released on the National Interbank Bond Market may be incorporated by reference.)</p>		
FBM-6-2	Analysis on significant line items 38 and key financial indicators ³⁹ – where the enterprise has disclosed new audited annual financial report or semi-annual financial		

³⁸ For overseas seasoned enterprises, the minimum frequency for disclosing such information is annual. If the enterprise discloses such information on a semi-annual basis on overseas markets, it shall disclose such information and provide an analysis on the reasons for significant changes in its assets, net assets, revenues, net profit, net cashflows from operating activities and other important items on the National Interbank Bond Market.

³⁹ For overseas seasoned enterprises, the minimum frequency for disclosing such information is annual.

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	<p>statements within the period, it shall provide an analysis on the changes in total assets, net assets, operating income, net profit and net cash inflows from operating activities for the relevant period.</p> <p>Where the enterprise has disclosed new audited annual financial report within the period, it shall disclose the line items and key financial indicators (including those used to assess the enterprise’s repayment ability, profitability and operating efficiency) which experienced significant changes in the latest year and the reasons therefor. (Where the enterprise has not disclosed any new audited annual financial report since its latest offering circular, the information disclosed in the latest offering circular which have been released on the National Interbank Bond Market may be incorporated by reference.)</p>		
FBM-6-3	<p>Interest bearing liabilities and other items – where the enterprise has disclosed new audited annual financial report within the period, an updated disclosure on the relevant information of interest bearing liabilities, related party transactions, contingent liabilities, litigation and arbitration, restricted assets⁴⁰, derivatives⁴¹ and material investments in wealth management products⁴² as of the latest year-end shall be made in accordance with the requirements under M-6-3 to M-6-9 in its supplemental offering circular. (Where the enterprise has not disclosed any new audited annual financial report since its latest offering circular, the information disclosed in the latest offering circular which have been released on the National Interbank Bond Market may be incorporated by reference.)</p>		
FBM-7	Section 7: Credit Status of the Enterprise		
FBM-7-1	<p>Ratings⁴³ – disclose any changes in ratings between the date of the latest offering circular and the date of this supplemental offering circular. In the absence of any</p>		

⁴⁰ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

⁴¹ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

⁴² Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

⁴³ Under the DFI Registration model, overseas seasoned enterprises are not required to disclose the rating for the debt financing instruments at the time of registration. The ratings disclosed in this section shall be ratings assigned by recognized rating agencies on the National Interbank Bond Market; the issuer (and the guarantor, if any) may disclose ratings assigned by other rating agencies in section M-5.

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	change, the relevant information in the latest offering circular may be incorporated by reference and the enterprise shall make a conclusive statement.		
FBM-7-2	Credit facilities granted ⁴⁴ – disclose the total amount of the credit facilities granted, the amount being utilized and the amount available for drawdown as of the end of the latest year. In the absence of any change, the relevant information in the latest offering circular may be incorporated by reference and the enterprise shall make a conclusive statement.		
FBM-7-3	Default records – if the enterprises or any of its significant subsidiaries has records of default on payments of debts, disclose, for the latest three years and any interim period, the resolution progress, amount, timing and reasons for such default.		
FBM-7-4	Other material events affecting credit status – disclose material events (if any) affecting the credit status of the enterprise. In the absence of any such events, the enterprise shall make a conclusive statement.		
FBM-8	Section 8: Credit Enhancement of the Debt Financing Instruments		
FBM-8-1	For debt financing instruments with credit enhancement, see Form MQ.5.		
FBM-8-2	Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary (the issuer), the guarantor shall disclose information in accordance with this Form (the reporting period shall be the latest three years and any interim period for public offerings and the latest two years and any interim period for private placements). The issuer may simplify the disclosure appropriately.		
FBM-9	Section 9: Taxation		
FBM-9-1	Taxes relating to investment in debt financing instruments – the types, policies and related risks of such taxes, whether the taxes payable can be offset or deducted by the payments on the debt financing instruments ⁴⁵ and		

⁴⁴ Where an overseas seasoned enterprise discloses such information on other markets, it shall also disclose such information on the National Interbank Bond Market.

⁴⁵ This means whether the issuer may pay net amounts (net of taxes) to the holders of debt financing instruments

No.	Key Points of Information Disclosure	Page	Notes
	whether the issuer has tax gross-up obligations for the taxes involved.		
FBM-9-2	Declaration – disclosure herein on taxes does not constitute tax advice to investors or any basis for tax payment.		
FBM-10	Section 10: Liability Management (where applicable)		
FBM-10-1	Liability management – during the life of the debt financing instruments, the issuer may conduct liability management with respect to the debt financing instruments based on market conditions and in accordance with applicable laws and regulations, regulatory documents and relevant self-regulatory rules and requirements of NAFMII, on the premise of full respect of the intention of investors and adequate protection of their legitimate rights and interests, and under the principles of equal rights and voluntary actions, fair payment, and being open and transparent and in good faith.		
FBM-10-2	Potential liability management approaches that may be adopted by the issuer, including, among others, exchange offers (if any).		
FBM-11	Section 11: Information Disclosure Arrangements		
FBM-11-1	Information disclosure arrangements – the basis for information disclosure, the timing, contents and requirements for information disclosure at the offering and during the life of the debt financing instruments, including but not limited to the offering documents, periodic reports, disclosure of material events, announcements on repayment of principal and payment of interest, and the disclosure arrangements with respect to trustee reports. Overseas enterprises shall specify the relevant information disclosure arrangements in the offering circular in accordance with the <i>Guidelines on Debt Financing Instruments of Overseas Non-Financial Enterprises (for Trial Implementation)</i> .		
FBM-12	Section 12: Provisions for Meetings of Bondholders⁴⁶		
FBM-12-1	Provisions for meetings of bondholders – the purpose of bondholder meetings and the powers and validity of resolutions of bondholder meetings. The enterprise shall		

after deducting the applicable taxes from the amount payable to such holders.

⁴⁶ Overseas seasoned enterprises may provide, in their offering circulars, certain special arrangements on meetings of bondholders and include a notice to investors in section FBM-0-3.

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	state that the resolutions adopted at bondholder meetings in accordance with the self-regulatory rules of NAFMII and the procedural requirements under the provisions for bondholder meetings, as well as the special provisions (if any) included in the offering circular, are binding upon all bondholders. Where no special provisions for bondholder meetings are included in the offering circular, the <i>Rules for Meetings of Holders of Debt Financing Instruments of Non-financial Enterprises on the National Interbank Bond Market</i> (《银行间债券市场非金融企业债务融资工具持有人会议规程》) shall apply.		
FBM-12-2	Convening a meeting of bondholders – parties who may convene a meeting, circumstances triggering the convening of a meeting, obligations to convene a meeting, substitution of the convening party upon its failure to convene a meeting, and mechanisms for the issuer to convene a meeting and for bondholders to propose to convene a meeting.		
FBM-12-3	Procedures for convening a meeting of bondholders – disclosure of announcements on the convening of a meeting, preparation, submission and supplement of proposals for a meeting, requirements on the contents of proposals, and the procedures of convening a meeting upon urgent requests.		
FBM-12-4	Participants of a meeting of bondholders – participants and their eligibility requirements, the requirements for attorney witness.		
FBM-12-5	Voting mechanism for a meeting of bondholders – voting rights and the mechanism for excluding the issuer’s affiliates from voting, matters subject to extraordinary resolutions, quorum requirements and voting thresholds for adopting extraordinary and ordinary resolutions, respectively, procedures for review of proposals, and disclosure of resolutions and the issuer’s responses.		
FBM-12-6	Other interpretations and definitions, confidentiality obligations, obligations of the relevant parties, and miscellaneous provisions.		
FBM-13	Section 13: Trustee Arrangements		

No.	Key Points of Information Disclosure	Page	Notes
FBM-13-1	Basic information of the trustee – the appointment of a trustee, information of the trustee institution and its contact person(s).		
FBM-13-2	Conflicts of interest arising from the trustee’s various lines of business and its control measures – a statement on the trustee’s conflicts of interest, its risk control measures to prevent and mitigate such conflicts of interest.		
FBM-13-3	A summary of the trustee agreement – see the trustee agreement for details.		
FBM-13-4	A notice to investors on legal impediments that may prevent a trustee from participating in cross-border judicial procedures.		
FBM-13-5	The governing law and dispute resolution forum of the trustee agreement shall be specified in accordance with the relevant requirements under FM-15-9.		
FBM-14	Section 14: Investor Protection Provisions (if any)		
FBM-14-1	Categories of investor protection provisions – provisions including but not limited to the following may be added based on the issuer’s circumstances: cross-default, covenants, negative pledge, change of control, covenants to ensure repayment funds, and asset collateralization.		
FBM-14-2	Triggers of investor protection provisions – details of triggering events and thresholds shall be disclosed.		
FBM-14-3	Resolution procedures – confirmation and disclosure procedures, grace period(s), remedies and waivers.		
FBM-15	Section 15: Default, Risk Scenarios and Resolution		
FBM-15-1	Events of default ⁴⁷ – including, but not limited to, defaults on the repayment of principal or payment of interest, dissolution of the enterprise, insolvency and bankruptcy proceedings.		
FBM-15-2	Liabilities for events of default – the enterprise’s liabilities for a default on the repayment of principal or payment of interest and any investor’s liabilities for a default on the payment of subscription money. This part may include, but not limited to, the obligation to issue an announcement on default, provisions on damages and the criteria for calculating damages.		

⁴⁷ Overseas seasoned enterprises may set reasonable grace periods and inform investors in section FBM-0-3.

No.	Key Points of Information Disclosure	Page	Notes
FBM-15-3	Payment risks (if any) – significant uncertainties relating to the enterprise’s full and punctual repayment of the principal or payment of interest on the debt financing instruments in accordance with the contractual or legal requirements shall be disclosed.		
FBM-15-4	Obligations of the enterprise – the enterprise shall disclose information in accordance with the disclosure arrangements included in the offering circular and other agreements as well as self-regulatory rules of NAFMII, implement investor protection measures and the resolutions of bondholder meetings, and cooperate with intermediary institutions to perform relevant work.		
FBM-15-5	The enterprise shall disclose the mechanism to develop a contingency plan (if any) and the contents expected to be included.		
FBM-15-6	Upon the materialization of any payment risk or the occurrence of an event of default to the enterprise, the enterprise shall, in accordance with applicable laws and regulations, the rules on the resolution of defaults on corporate bonds and relevant self-regulatory rules and requirements of NAFMII and under the principles of equal rights and voluntary actions, fair payment, and being open and transparent and in good faith, perform the work in an organized manner towards the resolution of risk events or defaults. Where the offering circular provides specific measures on risk and/or default resolution, such measures shall be implemented.		
FBM-15-7	Resolution measures (if any) – upon the materialization of any payment risk or the occurrence of an event of default, the enterprise may consult with bondholders on the resolution measures. Specific measures may include: 4. Debt restructuring and modification of registered terms of the debt financing instruments ⁴⁸ ; 5. Debt restructuring and repayment in other forms; or 6. Other resolution measures. (The enterprise may select any specific measures. If the enterprise makes such selection, it shall disclose each measure in detail and provide the timing and the process		

⁴⁸ Overseas seasoned enterprises may choose to add this provision at their discretion, and overseas unseasoned enterprises shall include this provision in the offering circular.

No.	Key Points of Information Disclosure	Page	Notes
	involving the arrangements for information disclosure, bondholder meetings, execution of agreements and other procedures.)		
FBM-15-8	Force majeure – statutory force majeure circumstances and mitigating measures.		
FBM-15-9	Governing law and dispute resolution – the enterprise shall specify in the offering circular that the issuance, performance, default resolution and the trustee mechanism of each series of debt financing instruments shall be governed by and interpreted in accordance with the laws of the People’s Republic of China (solely for this purpose and for the purpose of the following sentences, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan), and disclose the dispute resolution mechanism, including, among others, consultation, litigation or arbitration. The dispute resolution mechanism disclosed in the offering circular shall not be in conflicts with the relevant provisions in the letter of guarantee (if any), guarantee agreement (if any) and trustee agreement. Where the enterprise chooses arbitration as the dispute resolution mechanism, it shall be clearly stated that disputes will be submitted to an arbitral tribunal within the People’s Republic of China; where the enterprise chooses litigation as the dispute resolution mechanism, the enterprise shall clearly state that the disputes will be submitted to a court within the People’s Republic of China and may specify the specific court(s) with jurisdiction.		
FBM-15-10	Waiver of rights.		
FBM-16	Section 16: Selling Restrictions		
FBM-16-1	Selling restrictions in the domestic market and major relevant overseas markets.		
FBM-17	Section 17: Parties Involved in the Offering		
FBM-17-1	Disclose the institution name, address, legal representative ⁴⁹ , contact number, fax number and name of the contact person ⁵⁰ of the following parties:		

⁴⁹ If the overseas issuer or credit enhancement institution (if any) is located in a country or region where there is no concept of legal representative, the enterprise shall disclose the chairman or responsible person of the internal governance institution responsible for day-to-day operations.

⁵⁰ Overseas seasoned enterprises under the DFI Registration model may leave the principle underwriter(s), other

No.	Key Points of Information Disclosure	Page	Notes
	– issuer		
	– principle underwriter(s) and other underwriter(s)		
	– trustee		
	– counsel		
	– auditors which issued audit reports for the latest three years		
	– credit rating agency (if any)		
	– credit enhancement institution (if any)		
	– bond registration, custody and settlement institution		
	– other parties involved in the offering		
	Relationship between the issuer (and the credit enhancement institution, if any) and other relevant parties – if there is any direct or indirect shareholding relationship or other relationship involving material interests between the issuer (and the credit enhancement institution, if any) and any intermediary institution involved in the offering (including the person in charge, senior management and execution team members of such intermediary institution), disclose such relationship; if there is no such relationship, the enterprise shall make a conclusive statement.		
FBM-18	Section 18: Documents Available for Inspection		
FBM-18-1	Documents available for inspection – including, among others, the Notice of Registration Acceptance, public disclosure documents, documents authorizing the financing, the link to the offering circular used at the time of registration, and documents related to the trustee.		
FBM-18-2	Address for inspection – addresses of the issuer, credit enhancement institution (if any), principle underwriter(s) and trustee ⁵¹ .		
FBM-18-3	Disclosure platforms – disclosure platforms designated by NAFMII.		
Notes			

Notes:

1. For the operating and financial data in “*Section 2: Risk Factors*”, the enterprise

underwriter(s) and the trustee blank at the time of registration.

⁵¹ Overseas seasoned enterprises under the DFI Registration model may leave the addresses for inspection of the principle underwriter(s) and the trustee blank at the time of registration.

shall at least bring down the disclosure to the latest financial year.

2. Relevant disclosure in *“Section 5: Basic Information”* and *“Section 6: Financial Information of the Issuer”* may incorporate by reference an offering circular for one series of debt financing instruments that has been publicly disclosed by the same issuer on the National Interbank Bond Market (**“the latest offering circular”**). *“Within the Period”* refers to the period between the date of the latest offering circular and the date of this supplemental offering circular. *“Incorporation by reference”* means providing the source of information to the reader, which can be in the following form: *“please refer to page * of the 20** [year] Series * Offering Circular of the issuer for relevant information”*. *“Making a conclusive statement”* may be in the following form: *“no change has occurred within the period”*.

**Checklist for Refiling by Overseas Enterprises with the Registration Meeting of
NAFMII (Form FMQ.7-5)**

	Material events to be disclosed by the issuer and submitted to the Registration Meeting of NAFMII for review prior to issuance	Tick if relevant	Notes
FMQ.7-5	1. The enterprise (including significant subsidiaries) fails to repay any significant debt when due.		
	2. The enterprise has incurred significant losses or damage amounting to more than 10% of its net assets.		
	3. Where the <i>de facto</i> controlling person(s) is a domestic natural person, such <i>de facto</i> controlling person(s) is subject to investigation by or compulsory measures imposed by competent authorities due to suspected violation of laws or regulations. Where the <i>de facto</i> controlling person(s) is an overseas natural person, such <i>de facto</i> controlling(s) person is subject to investigation by or compulsory measures imposed by competent authorities due to suspected violation of laws or regulations, and such information has been disclosed on any overseas market.		
	4. The enterprise has decided to reduce capital, enter into a merge or spin-off, dissolve or apply for bankruptcy, or is subject to bankruptcy proceedings according to law, or has been ordered to shut down, except where the annual accumulative capital reductions amount to less than 5% of registered capital (or subscribed capital) at the time of registration as a result of repurchase and cancellation of shares to implement its equity incentive plan or repurchase and cancellation of shares by a listed company under a general annual authorization.		
	5. The certified public accountant has issued a qualified opinion or adverse opinion or declined to issue an opinion for the latest financial report of the enterprise.		
	6. The enterprise no longer controls its significant subsidiaries (whose assets, net assets, operating income or net profit represents over 35% of the respective financial data of the enterprise for the latest year) as a result of transactions such as private placement of equity securities, acquisition on the secondary markets or equity transfer.		
	7. Downgrade of the enterprise's rating assigned by any domestic rating agency.		

	8. The enterprise has encountered difficulties in production or operation (e.g., its production or operations having been suspended), acute shortage of liquidity or difficulties in servicing outstanding debts.		
	9. The enterprise is subject to self-regulatory investigation by NAFMII or a disciplinary action more serious than warning imposed by NAFMII.		
	10. Other circumstances that are likely to have a material adverse effect on the enterprise's repayment ability.		

Notes:

Where an overseas parent company (the guarantor) provides unconditional and irrevocable joint liability guarantee to its wholly-owned financing subsidiary (the issuer), the principle underwriter(s), the issuer and the guarantor are required to check whether any material events have occurred to the issuer and the guarantor. If any of the material events listed in items 1-10 has occurred to the issuer or any of the material events listed in item 1 or items 3-10 has occurred to the guarantor, such event shall be disclosed and resubmitted to the Registration Meeting for review prior to the issuance of debt financing instruments.

(IV) Guidelines on Bond Issuance by Foreign Governmental Agency and International Development Institution Issuers (Promulgated in December 2020, revised in 2024)

Guidelines on Bond Issuance by Foreign Governmental Agency and International Development Institution Issuers

(Adopted on October 16, 2020 at the eighteenth conference of the Fifth Governing Council of NAFMII; amended on November 29, 2023 at the eleventh conference of the Fourth Council of NAFMII)

Chapter I. General Provisions

Article 1 This Guideline is promulgated with a view to promoting the open-up of the bond market and regulating bond issuances by foreign governmental agencies and international development institutions and in accordance with the Interim Measures for the Administration of Bonds Issued by Overseas Issuers on the National Interbank Bond Market (People’s Bank of China & Ministry of Finance Announcement [2018] No.16) (《全国银行间债券市场境外机构债券发行管理暂行办法》(中国人民银行、财政部公告〔2018〕第16号)) (the “**Interim Measures**”) promulgated by the People’s Bank of China (“**PBOC**”) and the Ministry of Finance and relevant self-regulatory rules of the National Association of Financial Market Institutional Investors (“**NAFMII**”).

Article 2 In this Guideline, “foreign governmental agencies” shall include:

- (a) the central governments of sovereign countries (including their central banks, monetary authorities and treasury or finance departments);
- (b) local governments of sovereign countries (including the treasury or finance departments of such local governments); or
- (c) agencies performing government functions in accordance with the laws or pursuant to the authorization by the government of the country or region

where the issuer is located (including public enterprises or financial institutions owned or controlled by foreign central or local governments, seeking finance on behalf of such governments, whose repayment obligations under such finance are ultimately assumed by such governments); or

- (d) other foreign governmental agencies as recognized by the competent regulatory authorities.

Article 3 In this Guideline, “international development institutions” shall include multilateral, bilateral and regional international development financial institutions that make development loans and investments.

Article 4 In this Guideline, “bonds issued by foreign governmental agencies or international development institutions” shall mean debt securities registered with NAFMII and issued by foreign governmental agencies or international development institutions, the principal and interest of which are to be paid in accordance with the agreed terms.

Article 5 Foreign governmental agencies and international development institutions issuing bonds shall be registered with NAFMII and subject to the self-regulatory supervision by NAFMII.

Article 6 The acceptance of registration by NAFMII does not represent that NAFMII has conducted any substantive assessment on the value of, and risks relating to, investment in the bonds issued by foreign governmental agencies or international development institutions. The registration does not exempt such foreign governmental agency or international development institution or relevant intermediary institutions from the obligations to make true, accurate, complete and timely information disclosure. Investors shall make their assessment on investment values and assume investment risks.

Chapter II Registration and Issuance

Article 7 A foreign governmental agency or international development institution shall submit, through a principal underwriter with experience in acting as a principal underwriter on offerings of Debt Financing Instruments on the interbank bond market, an application letter to NAFMII for issuing bonds. Such principal underwriter shall provide a recommendation opinion to NAFMII.

Article 8 NAFMII shall accept an application that meets the acceptance conditions and shall conduct preliminary review or verification on the completeness of

the information disclosed in the registration documents (“**Registration Documents**”) for the proposed issuance of bonds by a foreign governmental agency or international development institution.

Article 9 For foreign governmental agencies or international development institutions intending to offer bonds to institutional investors on the interbank bond market, NAFMII shall, after completing the preliminary review, submit the Registration Documents to the Registration Meeting for review. Where the Registration Meeting recommends the acceptance of registration, NAFMII shall issue a Notice of Registration Acceptance to the foreign governmental agency or international development institution applicant. The registration shall be valid for two years.

Notwithstanding the foregoing paragraph, where a foreign governmental agency or international development institution issues bonds through a private placement to qualified institutional investors based on written subscription arrangements (a “**private placement**”), NAFMII may proceed to accept registration in accordance with applicable procedures after completing the verification process.

Article 10 Foreign governmental agencies and international development institutions that are seasoned issuers on overseas markets or that have issued bonds within the People’s Republic of China (the “**PRC**”, which, for the purpose of this Guidelines, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) and complied with the ongoing disclosure obligations for more than one year may apply to issue bonds from time to time in multiple series within a total registration amount. Other foreign governmental agencies and international development institutions shall issue bonds on a stand-alone basis.

Article 11 Foreign governmental agencies and international development institutions issuing bonds in multiple series may decide whether and when to issue bonds during the twelve-month period after the acceptance of registration, and, upon the expiry of such twelve-month period, may issue bonds at any time during the remaining validity period of registration upon filing with NAFMII. Such issuers issuing bonds through private placements may decide whether and when to issue bonds within the validity period of registration.

Article 12 For foreign governmental agencies and international development institutions offering bonds to institutional investors on the interbank bond market following the acceptance of registration and until the creditor-debtor relationship with respect to the bond is created, where any material event as specified in Articles 25 of this Guideline occurs, NAFMII shall submit

the Registration Documents to the Registration Meeting for its further review and determination on whether the existing registration continues to be valid.

Article 13 Bookbuilding for bonds issued by foreign governmental agencies and international development institutions shall be conducted through the Centralized Bookbuilding System for Debt Financing Instruments.

Chapter III Requirements on Registration Documents

Article 14 Foreign governmental agencies or international development institutions intending to offer bonds to institutional investors on the interbank bond market shall prepare Registration Documents, which shall include:

- (a) a registration report;
- (b) a letter of recommendation (from each principal underwriter and joint lead underwriter);
- (c) the authorization document(s) approving the proposed issuance (including, but not limited to, the relevant legislation, approval, consent of the proposed issuance from the issuer's legislative or executive authorities or the documents with the equivalent effects, or an official confirmation of the proposed issuance by its treasury, finance or economic authorities or the documents with the equivalent effects, or the issuer's constitutional documents and the resolutions of its competent decision-making body);
- (d) an offering circular;
- (e) the financial statements (audited) or economic data report for the most recent three fiscal years (or for a shorter period of time since the establishment of the issuer), and the latest interim financial statements or economic data report (if any);
- (f) a credit rating report and follow-up rating arrangements (if available);
- (g) legal opinions issued by a law firm in the issuer's home country or region (or the justice department or an authorized and qualified internal legal counsel or department of the issuer) and by a PRC law firm;
- (h) a consent letter from the issuer's auditors (if applicable); and
- (i) other documents as required by NAFMII.

Article 15 The Registration Documents required to be submitted by a foreign governmental agency or international development institution for registration of bond offering(s) through a private placement include:

- (a) a registration report;
- (b) a letter of recommendation (from each principal underwriter and joint lead underwriter);
- (c) a private placement agreement or a private placement offering memorandum; and
- (d) other documents as required by NAFMII.

Foreign governmental agencies or international development institutions may agree with private placement investors on disclosure of other documents, notwithstanding that such documents are not required for registration.

Article 16 Documents required to be filed for a proposed issuance of bonds by a foreign governmental agency or international development institution during the validity period of registration shall include:

- (a) a registration report (for filing);
- (b) an updated offering circular (or private placement offering memorandum or private placement agreement) or a supplemental offering circular;
- (c) the financial statements (audited) or economic data report for the latest fiscal year, and the latest interim financial statements (if any);
- (d) a credit rating report and follow-up rating arrangements (if available);
- (e) legal opinions issued by a law firm in the issuer's home country or region (or the justice department or an authorized and qualified internal legal counsel or department of the issuer) and by a PRC law firm; and
- (f) other documents as required by NAFMII.

If any other Registration Documents are amended, the amended documents shall be submitted at the same time.

Chapter IV Information Disclosure Requirements

Article 17 Foreign governmental agencies and international development institutions shall ensure that its information disclosure is truthful, accurate, complete and on a timely basis, without any false or misleading statements or material omissions.

Article 18 Information disclosure documents of foreign governmental agencies and international development institutions shall be submitted through the NAFMII Comprehensive Business and Information Service Platform (the “**Comprehensive Platform**”). The Comprehensive Platform shall, after conducting form review of the information disclosure documents, forward the information disclosure documents that are in compliance with the relevant form requirements, to the information disclosure service platforms, including the National Interbank Funding Center, the registration and custody institution and the Beijing Financial Assets Exchange, for releasing on their respective websites.

The documents in connection with private placements of bonds by foreign governmental agencies and international development institutions shall be disclosed through the Comprehensive Platform to the targeted investors.

Article 19 Foreign governmental agencies and international development institutions offering bonds to institutional investors on the interbank bond market shall disclose the offering documents for the proposed offering, which shall include, among others:

- (a) an offering circular;
- (b) the financial statements (audited) or economic data report for the most recent three fiscal years (or for a shorter period of time since the establishment of the issuer), and the latest interim financial statements or economic data report (if any);
- (c) a credit rating report and follow-up rating arrangements (if available);
- (d) legal opinions issued by a law firm in the issuer’s home country or region (or the justice department or an authorized and qualified internal legal counsel or department of the issuer) and by a PRC law firm;
- (e) a consent letter from the issuer’s auditors (if applicable); and
- (f) other documents as required by NAFMII.

The above information disclosure documents shall be in Chinese (all the

references hereinafter to a Chinese version shall mean a simplified Chinese version) or accompanied with a Chinese version. Where the offering circular is in Chinese and other language versions, the Chinese version shall prevail.

Article 20 A foreign governmental agency or international development institution offering bonds through a private placement shall disclose the offering documents through the Comprehensive Platform to the targeted investors. The offering documents shall include, among others, a private placement offering memorandum or a private placement agreement. Foreign governmental agencies or international development institutions may agree with private placement investors on disclosure of other documents. The private placement offering memorandum or private placement agreement shall be in Chinese or accompanied with a Chinese version. Other disclosure documents may be disclosed in a language or languages as agreed between the foreign governmental agency or international development institution and the private placement investors.

Article 21 International development institutions and foreign governmental agencies (if such foreign governmental agencies regularly prepare financial statements) offering bonds to institutional investors on the interbank bond market shall disclose their financial statements (including audited annual financial statements); if the foreign governmental agencies do not regularly prepare financial statements, such foreign governmental agencies shall disclose economic data reports.

Article 22 Foreign governmental agencies and international development institutions shall disclose the offering results through the Comprehensive Platform after each offering is completed.

Article 23 During the life of the bonds issued by a foreign governmental agency or international development institution to institutional investors on the interbank bond market, such foreign governmental agency or international development institution shall disclose annual audited financial statements or economic data reports within the agreed period of time set forth in the offering documents. Foreign governmental agencies and international development institutions that disclose semi-annual or quarterly financial statements on other securities markets or channels shall also disclose such financial statements through the Comprehensive Platform. Economic data reports disclosed during the life of the bonds shall be in Chinese. In general, annual, semi-annual or quarterly financial statements shall be disclosed in Chinese; however, if a foreign governmental agency or international development institution discloses such financial statements in English on other securities markets, it shall, simultaneously or as soon as reasonably

practicable thereafter, disclose such financial statements in English through the Comprehensive Platform and disclose the Chinese version of the key information of such financial statements in accordance with the timeline set forth in its registration and offering documents.

A foreign governmental agency or international development institution offering bonds through a private placement may agree with private placement investors on the contents and language(s) of ongoing disclosure during the life of the bonds.

Article 24 During the life of the bonds issued by a foreign governmental agency or international development institution to institutional investors on the interbank bond market, upon the occurrence of any material event, such event shall be disclosed through the Comprehensive Platform, or to the investors in a private placement, on a timely basis in accordance with the agreed timeline set forth in the offering documents. Disclosure of material events shall be made on a timely basis in Chinese, or in English with a Chinese version or a Chinese summary to be published within seven business days upon the publication of the English disclosure.

Foreign governmental agencies and international development institutions offering bonds through private placements may agree with private placement investors on the types of material events to be disclosed and the language(s) of such disclosure.

Article 25 “Material events” means the events the occurrence of which may have material adverse effect on the ability of a foreign governmental agency or international development institution to perform its obligations under the registered bonds during the life of the bonds.

“Material events” of foreign governmental agencies offering bonds to institutional investors on the interbank bond market shall include, but not limited to:

- (a) any changes in laws, regulations, treaties, conventions, approvals or authorizations of the issuer (or its home country or region) that may have a material impact on the registered bonds;
- (b) any event of default under, or acceleration or debt restructuring of, any external indebtedness of the issuer (or its home country or region);
- (c) any change in the rights of bondholders, including, but not limited to, any change in the terms and conditions of the issuer’s other debt obligations

that indirectly alters the rights of the bondholders under the registered bonds; and

- (d) any other events that may have a material adverse effect on the issuer's ability to perform its obligations (including, but not limited to, the obligation to make full payment of the principal and interest on the bonds when due) under the registered bonds.

"Material events" of international development institutions offering bonds to institutional investors on the interbank bond market shall include:

- (a) any change in the treaties, conventions, laws, regulations, approvals or authorizations relating to the issuer, or in the constitutional documents of the issuer, which may have a material impact on the registered bonds;
- (b) any event of default under, or acceleration or debt restructuring of, any external indebtedness of the issuer (or the home country or region of a bilateral development institution);
- (c) the failure of the issuer to receive any of its callable capital as scheduled;
- (d) any change in the rights of bondholders, including, but not limited to, any change in the terms and conditions of the issuer's other debt obligations that indirectly alters the rights of the bondholders under the registered bonds; and
- (e) any other events that may have a material adverse effect on the issuer's ability to perform its obligations (including, but not limited to, the obligation to make full payment of the principal and interest on the bonds when due) under the registered bonds.

Article 26 Foreign governmental agencies and international development institutions offering bonds to institutional investors on the interbank bond market shall disclose, through the Comprehensive Platform, in Chinese or English, simultaneously or as soon as reasonably practicable thereafter, other material information disclosed on other securities markets relevant to the registered bonds during the life of the bonds.

Article 27 Foreign governmental agencies and international development institutions shall ensure the consistency between the Chinese version and other language versions (if any) of all the disclosure documents.

Article 28 NAFMII shall supervise the information disclosure by foreign governmental

agencies and international development institutions in accordance with the applicable requirements under the National Interbank Bond Market regulations and this Guideline. NAFMII shall report any such issuer's failure to comply with the information disclosure requirements to PBOC.

Chapter V Regulation of Intermediary Institutions

Article 29 Principal underwriters, underwriters, trustee institutions, credit rating agencies, accounting firms, law firms and other relevant professional institutions and their respective personnel that provide professional services to foreign governmental agencies and international development institutions in connection with their bond issuances shall act diligently and with due care, strictly comply with their respective codes of conduct and professional ethics rules, perform their duties in accordance with applicable regulations and agreements, take responsibility for the professional reports and/or professional opinions issued by them, and assume their respective legal liability.

Article 30 Foreign governmental agencies and international development institutions may form a principal underwriter syndicate in the registration stage, and designate one lead underwriter for each offering in the offering stage. The lead underwriter shall have experience in acting as a principal underwriter for Debt Financing Instruments issued on the Interbank Bond Market. Other principal underwriters and underwriters shall have experience in underwriting bonds in the PRC domestic markets and meet the applicable regulations of PBOC and NAFMII. At least one of the principal underwriter(s) for each offering shall have a subsidiary or branch in the country or region where the head office of the foreign governmental agency or international development institution is located, or make other necessary arrangements, to ensure that such principal underwriter(s) have capability to conduct due diligence.

Foreign governmental agencies and international development institutions issuing bonds in multiple series up to the registered amount may change the members of the principal underwriter syndicate during the validity period of registration.

Article 31 Foreign governmental agencies and international development institutions shall engage an independent entity within the PRC to safeguard the interest of bondholders during the life of the bonds. Such independent entity shall act diligently, independently and fairly, and oversee the foreign governmental agency or international development institution to implement the investor protection mechanisms, including, among others,

disclosing material events and convening bondholders' meetings.

Article 32 Where a foreign governmental agency or international development institution disclose its credit rating reports, such credit rating reports shall be issued by a credit rating agency permitted to conduct rating business on the National Interbank Bond Market.

Chapter VI Miscellaneous

Article 33 The proceeds from the offering of bonds by foreign governmental agencies and international development institutions shall be used in compliance with applicable laws and regulations. The account opening, fund remittances and transfers, cross-border settlements and information reporting in connection with the proceeds shall be in compliance with relevant rules of PBOC and the State Administration of Foreign Exchange.

Article 34 Foreign governmental agencies and international development institutions shall ensure that the rights of the holders of the registered bonds are equivalent to those of the holders of other debt securities of the issuer with the same ranking.

Article 35 Foreign governmental agencies and international development institutions shall specify the investor protection mechanism and dispute resolution mechanism in their registration and issuance documents. Foreign governmental agencies and international development institutions and relevant intermediary institutions shall actively conduct post-issuance management of the bonds issued and manage any defaults thereunder to protect the legitimate interest of the investors in accordance with the requirements of the investor protection mechanism.

Article 36 The offering and transaction documents for the issuance of bonds by foreign governmental agencies and international development institutions shall, in principle, be governed by the laws of the PRC.

Article 37 Foreign governmental agencies and international development institutions providing credit enhancements to issuers of bonds and other institutions providing credit enhancements to a foreign governmental agency or international development institution shall comply with, *mutatis mutandis*, this Guideline.

Article 38 Foreign governmental agencies and international development institutions and relevant intermediary institutions conducting bond business shall comply with this Guideline. Matters not expressly provided for under this

Guideline shall be governed by, *mutatis mutandis*, the self-regulatory rules of NAFMII promulgated under the Administrative Measures for Debt Financing Instruments Issued by Non-Financial Enterprises on the Interbank Bond Market (《银行间债券市场非金融企业债务融资工具管理办法》) or the Interim Measures.

Article 39 The Secretariat of NAFMII shall have the authority and be responsible for the interpretation of this Guideline.

Article 40 This Guideline shall come into effect as of the date of publication.

(V) Q&As on Pilot Program of Social Bonds and Sustainability Bonds

(2021)

Q&As on Pilot Program of Social Bonds and Sustainability Bonds

In order to implement the policy of the Party Central Committee and the State Council on "promoting high-quality development" and "actively implementing the United Nations 2030 Agenda for Sustainable Development", and strengthen the bond market's role in supporting sustainable development, NAFMII has launched the pilot program for overseas issuers to issue social bonds and sustainability bonds in China, and released the *Q&As on Pilot Program of Social Bonds and Sustainability Bonds* (the "Q&A").

Q1: What is the background of launching social bonds and sustainability bonds?

A: In 2015, the United Nations Sustainable Development Summit formally adopted the "2030 Agenda for Sustainable Development" (referred to as the "2030 Agenda"), setting up 17 sustainable development goals (SDGs) with 169 SDG targets that the world strives to achieve by 2030. It aims to turn to the path of sustainable development and solve development problems in the three dimensions of society, economy and environment. At the beginning of 2021, President Xi Jinping, in his special address at the World Economic Forum, stressed on the importance of sustainable development in addressing global challenges, bridging the North-South Gap, and jointly promoting the development and prosperity of all countries. He once again indicated the promotion of sustainable development as the vision of building a community with a shared future for mankind, as well as an inevitable choice to implementing the new development philosophy. Sustainable development is the route that China must take to achieve the high-quality development, and a prerequisite for accelerating the establishment of a "dual circulation" development pattern.

The "Green, Social and Sustainability" (GSS) bond market has been playing an indispensable role in global financing for sustainable development. Among GSS bonds, green bonds mainly serve the relevant environmental goals in the SDGs, social bonds mainly serve the relevant social goals in the SDGs, and sustainability bonds serve both the environmental and social goals in the SDGs. International development institutions are the pioneers on the GSS bond market. Prior to 2013, the issuers of global GSS bonds were mainly international development institutions. Subsequently, the issuer community has been gradually diversified. Following years of development recently,

consensus on classification has been reached globally, including common principles of multilateral development institutions and voluntary principles of the International Capital Market Association (ICMA). GSS bonds have also become the focus of international ESG investors in the field of bond investment, including a large number of medium and long-term investors.

As the sustainable development concept has been well-recognized in China, there are actual demands and practical foundations for the development of the GSS bond market. In terms of policy support, China attaches great importance to the 2030 Agenda. In 2016, China released *China's National Plan for Implementing the 2030 Agenda for Sustainable Development*, and issued a progress report or country-specific voluntary statement report on the implementation of the 2030 Agenda in 2017, 2019 and 2021, respectively. China has combined the implementation of the 2030 Agenda with national medium- and long-term development strategies such as the 13th Five-Year Plan and the 14th Five-Year Plan, and has issued a series of policy documents. The *14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035* has emphasized the need to "implement the United Nations 2030 Agenda for Sustainable Development", "promote green development and ensure harmony between humanity and nature", and "align efforts to consolidate and expand the achievements in poverty alleviation with efforts to promote rural revitalization", etc. The five development concepts of innovation, coordination, greenness, openness, and sharing put forward by China are in line with the overall requirements of the 2030 Agenda to coordinate economic, social, and environmental development, taking into account humanity, the planet, prosperity, peace, and partnership. China's goal of "promoting common prosperity in high-quality development" is highly compatible with the central, transformative promise of the 2030 Agenda - "leave no one behind". In terms of demands, as financing instruments for sustainable development, GSS bonds should play a greater role in expanding channels for financial services to serve the real economy and satisfying people's aspirations for a better life. At the same time, the sustainable development concept is the world's common language. As the market further opens up, overseas issuers and investors entering China's bond market also have actual demands for such products. In terms of practice, a large volume of bonds have been issued in China to promote sustainable development goals including low-carbon economic transformation, targeted poverty alleviation and ecological protection, and the market has witnessed sustained growth. At the same time, more and more domestic issuers have published social responsibility reports or sustainability reports on an ongoing basis, formulated GSS bond frameworks and issued GSS bonds in the international market.

On the basis of the *Social Bond Principles and Sustainability Bond Guidelines* published by ICMA, as well as practices of international development institutions, the National Association of Financial Market Institutional Investors (NAFMII) has conducted research and organized its members to launch pilot programs of social and

sustainability bonds in China's inter-bank market.

Q2: What are the social bonds and the sustainability bonds?

A: Social bonds refer to the bonds issued by an issuer in China's inter-bank market where the proceeds will be exclusively used for social projects.

Sustainability bonds refer to the bonds issued by an issuer in China's inter-bank market, where the proceeds are exclusively applied to a combination of green and social projects which shall comply with relevant rules and regulations applicable to green bonds and social bonds, respectively. Proceeds of sustainability bonds can also be used for projects that have both environmental and social benefits.

Sustainability bonds are different from sustainability-linked bonds (SLB). All the proceeds from issuances of sustainability bonds are required to be used for specific purposes; while the proceeds of SLBs can be used for general purposes, and its main feature is that the bond terms are linked to the issuer's sustainable development goals.

Q 3: What types of entity are eligible to issue social bonds and sustainability bonds during the pilot phase?

A: During the pilot phase, foreign governmental agencies, international development institutions, and overseas non-financial enterprises (hereinafter collectively referred to as "issuers") are eligible to register with NAFMII to issue social bonds and sustainability bonds

Q 4: What are the core elements of social bonds and sustainability bonds?

A: Social bonds and sustainability bonds should meet the four core elements of the use of proceeds, project evaluation and selection, management of proceeds, and information disclosure (as specified in Q&A5 to Q&A8).

Issuer can establish its framework for social bond or sustainability bond (the "framework"), and clearly disclose that the envisaged bonds are consistent with the four core elements. The framework can be used for one or multiple bond issuances, and shall be disclosed together with issuance documents. An issuer that does not disclose in the form of framework shall disclose in the issuance documents for each

bond issuance whether it meets the core elements.

Q 5: What are the requirements on use of proceeds from issuances of social bonds and sustainability bonds?

A: The proceeds from issuances of social bonds shall be exclusively used for the investment, construction, acquisition of assets, or relevant expenditure (such as R&D) for social projects, or to repay loans or bonds used to finance social projects. Such loans or bonds should be used exclusively for social projects that meet the definition of this Q&A.

Social projects aim to help target populations solve specific problems or bring more social benefits. Target populations can include low- and middle-income population, unemployed, people affected by natural disasters, people with disability, women, children, senior citizens, people living in remote areas, undereducated people, etc., and in some special cases, the general public. Several goals of the United Nations Sustainable Development Goals focus on social benefits and can be referenced to identify, select and evaluate social projects. During the pilot phase, social projects may include projects in the fields of medical and health, agriculture, rural areas and food security, education and employment, drinking water and sanitation facilities, inclusive infrastructure, disaster prevention and relief.

Enterprises that issue social bonds shall comply with industry regulations and policies to ensure the proceeds are used in accordance with applicable laws, regulations and policies. Social projects shall follow the principles of commercial sustainability with market-oriented arrangements for investment returns.

For enterprises issuing sustainability bonds, the criteria for identifying green projects are set forth in the *Green Bond Endorsed Projects Catalogue* jointly issued by the People's Bank of China, the National Development and Reform Commission, and the China Securities Regulatory Commission or other international green industry catalogs such as EU Taxonomy Climate Delegated Act. For foreign government agencies and international development institutions issuing sustainability bonds, the identification criteria for their green projects are encouraged to be the abovementioned *Green Bond Endorsed Projects Catalogue*, or they can be based on international best practices and be specified in their framework or issuance documents.

Enterprise issuing social bonds or sustainability bonds must specify the specific projects or candidate project pool for use of proceeds before issuance. Enterprises shall disclose the following information regarding social projects:

(1) social responsibility targets and the target population;

(2) a statement explaining why the project falls within eligible social project categories, including the process and the criteria for such determination and the conclusion;

(3) the expected social benefits of the social project, and enterprises are encouraged to quantify relevant social benefits .

If foreign government agencies and international development institutions are unable to specify the social projects or candidate project pool before issuance, they can adopt the approach of clarifying the types of social projects/green projects, and the criteria and procedures for project evaluation and selection.

Q 6: What are the requirements for the evaluation and selection process of social projects?

A: Issuers should disclose the following information in the framework or issuance documents:

(1) standards for qualified social projects;

(2) the process by which the issuer judges whether a project is a qualified social project;

(3) the process by which the issuer assesses and manages the potential social and environmental risks of the project.

Qualified social projects should not cause significant harms to other social and environmental aspects.

If an issuer needs to change its social project during the tenor of its social bonds, it shall select and disclose the qualified social project in accordance with the criteria and procedures for the evaluation and selection of qualified social projects specified in the framework or issuance documents.

Q 7: What are the requirements for social bonds and sustainability bonds with respect to the management of bond proceeds?

A: Issuers that issue social bonds shall undertake to use the proceeds exclusively for

social projects, and comply with relevant laws, regulations and national policies. Issuers shall establish a formal internal control mechanism to ensure that the proceeds are used in support of social projects. Issuers are encouraged to set up an escrow account in a domestic bank, and the bank shall manage the receipt, custody and transfer of the proceeds. Issuers can also adopt other proceeds management methods that are consistent with international best practices (such as transferring proceeds to sub-accounts, transferring proceeds into an independent investment portfolio or establish a special ledger for the account, etc.).

If the issuer needs to change the use of proceeds during the tenor of social bonds, it shall report to NAFMII and perform relevant procedures, and disclose at least five working days before the change. The amended use of proceeds shall also meet the requirements of the Q&As herein.

Issuer issuing sustainability bonds should manage the proceeds used for social projects and green projects according to the above requirements.

Q8: What are the ongoing disclosure requirements during the tenor of social and sustainability bonds?

A: Enterprises issuing social bonds should disclose information in accordance with relevant self-regulatory rules issued by NAFMII. In addition to that, enterprises shall disclose annually the use of proceeds and social projects supported or financed by such proceeds during the preceding year (in principle, the timing for disclosure of such information shall not be later than the timing for disclosure of annual financial reports). Enterprises are encouraged to disclose the use proceeds on a semi-annual basis.

The use of proceeds disclosed shall include the allocation of funds, the balance and placement of unallocated funds, etc. Information on social projects shall include a list of projects, their progress and expected social benefits (disclosure of quantitative information is encouraged). If the issuer has the ability to track and monitor actual benefits, it is encouraged to disclose actual benefits

If a material event affecting the use of proceeds occurs, such as the sale of the social projects, the enterprise should disclose such event in a timely manner (in principle, within two working days). Changes in the use of proceeds should be handled in accordance with Q&A 7.

Issuer issuing sustainability bonds should also disclose the information of green projects in accordance with the timing requirements for green bonds.

Q 9: What are the requirements for external review?

A: Issuers are encouraged to engage external review provider to perform external review on social bonds and sustainability bonds before the issuance. External review providers are encouraged to evaluate whether the issuance documents and framework (if applicable) meet the four core elements, and disclose their opinions.

Enterprises are encouraged to engage external review provider to perform follow-up external review on the progress and social impact (and environmental impact, where applicable) of the social projects (and green projects, where applicable) during the tenor of social bonds and sustainability bonds, and release the relevant reports on a regular basis.

External review providers appointed by issuers shall have necessary talents, expertise, strong technical strength, credibility and high market recognition in their professional fields, and have rich evaluation experience in the fields of green bonds, social bonds and sustainability bonds. The practitioners of external review providers shall perform their duties with professionalism and work ethics, abide by the principles of honesty and trustworthiness, objectivity and impartiality, and due diligence, so as to ensure the impartiality, independence, and integrity of the review results. External review providers shall disclose their qualifications, independence and review methodologies. For other requirements for external review providers, please refer to the relevant requirements for external review providers for green bonds.

Q 10: How are social and sustainability bonds labeled?

A: Bonds that meet the criteria for social bonds or sustainability bonds in this Q&As are eligible to be labeled as social bonds or sustainability (or sustainable development, etc.) bonds.

Q 11: Is special registration required for issuing social or sustainability bonds?

A: Issuers may apply for registration specifically for social or sustainability bonds. If an issuer has an existing registered bond program, it can issue social or sustainability bonds under such program after changing relevant terms and supplementing necessary information through the procedure of modification of terms.

Q 12: Can the frameworks established by issuers in line with international mainstream principles/guidelines or practices be used to issue social or sustainability bond in China inter-bank bond market?

A: The frameworks established by issuers in accordance with the *Green Bond Principles*, the *Social Bond Principles* and/or the *Sustainability Bond Guidelines* or other mainstream international principles/guidelines/practices, the frameworks established by international development institutions based on relevant international consensus, as well as relevant external review opinions, can in principle be used to issue social bonds or sustainability bonds in China's inter-bank market.

Q 13: What supporting measures does NAFMII have for issuances of social bonds and sustainability bonds?

A: Issuance of social bonds and sustainability bonds will help issuers achieve their sustainable development goals such as low carbon transition, raise their profiles and reputation, and attract domestic and overseas investors who focus on ESG investment, socially responsible investment (SRI), impact investment, etc.

NAFMII has been actively exploring measures to support issuers to issue social bonds and sustainability bonds. **Firstly**, NAFMII has established an expressway for the registration and issuance of such bonds. **Secondly**, NAFMII will display the list of issuers, lead underwriters and investors of such bonds on its website and WeChat official account, and launch joint promotion of the market through websites of the relevant international partners to enhance the reputation of the participants. **Thirdly**, the performance of underwriters and other intermediaries in the business of social bonds and sustainability bonds will be taken into account when NAFMII conducts business reviews.

(VI) Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism (2022)

Notice on Launching Pilot Program to Streamline Panda Bond Registration and Issuance Mechanism

All market members,

For the purposes of further opening up China's bond market and promoting the sustainable development of the panda bond market, NAFMII intends to launch a pilot program to streamline the panda bond registration and issuance mechanism. The relevant matters are hereby notified as follows:

1. Expanding the issuer base for universal registration (hereinafter referred to as "DFI Registration")

Pursuant to the *Detailed Rules for the Administration of Tiered Management of Debt Financing Instruments of Overseas Non-financial Enterprises*, overseas seasoned enterprises may prepare one set of registration documents covering multiple types of debt financing instruments, including super short-term commercial paper (SCP), commercial paper (CP), medium-term notes (MTN), perpetual notes (PN), asset-backed notes (ABN) and green notes (GN), and apply for DFI Registration. To further facilitate the issuance of panda bonds by overseas unseasoned enterprises, the pilot program will allow overseas unseasoned enterprises to apply for DFI Registration and set a registration amount at the time of registration.

2. Unifying form requirements for offering circulars for debt financing instruments of overseas non-financial enterprises

Pursuant to the *Form Requirements for Registration Documents for Debt Financing Instruments of Overseas Non-Financial Enterprises*, an overseas seasoned enterprise shall disclose information in its offering circular in accordance with the relevant requirements under the *Form Requirements for Information Disclosure in Offering Circulars of Overseas Seasoned Enterprises (Form FM)*, and an overseas unseasoned enterprise shall disclose information in its offering circular by reference to the relevant requirements for domestic unseasoned enterprises. Considering that *Form FM* suits

overseas issuers better than the form requirements applicable to domestic enterprises, an overseas unseasoned enterprise may make disclosure in its offering circular in accordance with the relevant requirements of *Form FM* under the pilot program.

3. Facilitating tap issues by international development institutions and foreign governmental agencies

To meet the reasonable demands of international development institutions and foreign governmental agencies (hereinafter referred to as the “two types of institutions”) for tap issues, the pilot program will allow the two types of institutions to conduct tap issues in a manner provided by the “*Issuance-related Issues*”⁵² released by NAFMII on September 25, 2020.

4. Introducing “Frequent Issuer Program” (hereinafter referred to as “FIP”)

To facilitate issuances by overseas issuers, reduce repetitive disclosure and improve the quality of disclosure, the FIP program will apply to overseas issuers on a pilot basis. FIP refers to the mechanism where an issuer may file a supplemental offering circular containing simplified disclosure under the framework of a base offering circular for its subsequent registration and bond issuances. Except for the following matters, the “*Notice on Trial Implementation of Frequent Issuer Program (FIP)*”⁵³ released by NAFMII on April 22, 2022 shall apply, *mutatis mutandis*, to panda bond FIPs.

1) Issuer types under the pilot program: overseas non-financial enterprises, international development institutions and foreign governmental agencies.

2) Requirements for preparing a base offering circular: if an issuer completes registration after four months following the end of a financial year, relevant information on the most recent financial year shall, in principle, be included in its base offering circular. If an issuer has disclosed a base offering circular and issues bonds after four months following the end of a financial year, in principle, its base offering circular shall be updated to include disclosure on the most recent financial year. During the validity period of registration, overseas unseasoned enterprises that make annual updates to the base offering circular shall report to NAFMII before its issuance following the procedures for modification of terms, while overseas seasoned enterprises and the two types of institutions are not required to report to NAFMII.

3) Reference to disclosed information when preparing a supplemental offering circular: If an overseas issuer (and the guarantor, if any) has disclosed its semi-annual report (or quarterly report, if any) in the interbank market and the relevant financial statements and notes are translated into Chinese, it may incorporate the semi-annual

⁵² <http://www.nafmii.org.cn/zlgz/zcfxl/gzwd/xxplxgwt/fxxgwt/>

⁵³ http://www.nafmii.org.cn/ggtz/tz/202204/t20220422_89598.html

report (and quarterly report, if any) by reference into the supplemental offering circular rather than preparing an updated financial disclosure in the supplemental offering circular. Disclosure of material events in Chinese in the interbank market may also be incorporated by reference into the supplemental offering circular.

5. This Notice shall take effect on August 1st, 2022.

NAFMII

July 26, 2022

**(VII) Notice on Further Improving the Quality and Efficiency of Debt
Financing Instrument Services (2023)**

**Notice on Further Improving the Quality and Efficiency of Debt
Financing Instrument Services**

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II. Optimize the registration mechanism and improve the convenience of issuance

(VI) Improve the convenience of issuance of medium- and long-term products.

Enterprises that issue medium-term notes (including perpetual notes), Private Placement Notes, and asset-backed notes (including asset-backed commercial paper) can select one or more of the principal underwriters from the principal underwriter group as the principal underwriters of the current bond.

Enterprises that issue Commercial Paper and Super and short Commercial Paper (SCP) can select no more than two from the principal underwriter group as the principal underwriters of the current bond; if the single issuance reaches the corresponding scale, no more than four can be selected as the principal underwriters of the current bond according to the current mechanism.

Overseas enterprises that issue various types of debt financing instruments can select one or more from the principal underwriter group as the principal underwriters of the current bond.

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NAFMII

June 29, 2023

(VIII) Notice on Launching a Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers (2023)

Notice on Launching a Pilot Program to Refine Bond Pricing and Allocation Mechanism for Overseas Issuers

All market participants,

To improve the efficiency of cross-border investment and financing on China's Interbank Bond Market ("CIBM"), facilitate market-based offering and pricing of bonds and promote the open-up of the bond market regulatory regime, a notice (this "Notice") is hereby promulgated to set out the relevant matters on the pilot program (the "Pilot Program") to refine bond pricing and allocation mechanism for overseas issuers as follows:

I. Scope of the Pilot Program

(I) The issuers eligible to deploy the Pilot Program include foreign governmental agencies, international development institutions and overseas non-financial enterprises that possess extensive experience in offering debt securities on the international market. Such issuers may opt to rely on this Notice to conduct pricing and allocation in bond offerings on the CIBM.

II. Description of the Pilot Program

(II) Issuers and the other parties involved shall conduct bookbuilding and subscription of bonds in accordance with the self-regulatory rules of the National Association of Financial Market Institutional Investors ("NAFMII").

After the bookbuilding session ends, all the principal underwriters and the members of underwriting syndicate (if any) shall deliver the Investor Subscription Information Form with the information on compliant subscription orders to the issuer and the bookrunner appointed by the issuer to perform duties relating to bond allocation (the "Bond Allocation Manager"), specifying, among other things, the full name of each investor⁵⁴, the type of each investor as well as its subscription price and subscription amount.

The issuer and the Bond Allocation Manager shall keep the information on the

⁵⁴ Where it is significantly difficult for any principal underwriter or member of the underwriting syndicate to share an investor's full name, a serial number can be used instead, and the type and characteristics of the investor shall be specified in detail.

Investor Subscription Information Form strictly confidential. The relevant information can only be used for determining the issuance amount of the bonds and making decisions on pricing and allocation, and not for any other purpose.

(III) The issuer may determine the issuance amount of the bonds before the bookbuilding process or adopt a dynamic adjustment mechanism in the offering to determine the issuance amount.

Issuers who have adopted the dynamic adjustment mechanism in the offering shall specify the range of the issuance amount in the offering documents and determine the minimum issuance amount no later than one (1) hour before the bookbuilding process ends⁵⁵. After the bookbuilding process ends, the issuer may increase the issuance amount within the above-referenced range of issuance amount on the basis of the subscription orders.

(IV) The bookrunner shall determine the final interest rate on the bonds following the market-based principle, by reference to the Dutch auction rule, and in accordance with the pricing methods disclosed in the Issuance Plan and the Subscription Statement. No institution or individual may interfere or manipulate the final interest rate.

(V) The issuer and the Bond Allocation Manager may allocate the bonds with certain flexibility pursuant to the allocation principles disclosed in the Issuance Plan and the Subscription Statement, which shall also disclose the concrete measures to prevent improper transfer of benefits and the risk that investors may not receive allocations in full or at all. No institution or individual may seek, directly or indirectly, improper benefits through bond allocation.

The issuer may adopt the discretionary allocation mechanism only for the investors who have submitted subscription orders at the final interest rate, or for all the investors who have submitted eligible subscription orders.

If the issuer adopts the discretionary allocation mechanism only for the investors who have submitted subscription orders at the final interest rate, the subscription orders at interest rates lower than the final interest rate shall receive allocation in full, and the allocation to the subscription orders at the final interest rate shall be conducted in accordance with the allocation plan formulated under the previously disclosed bond allocation principles. The Bond Allocation Manager shall provide detailed explanations on the bond allocation process and the allocation plan for subscription orders at the final interest rate and enter the relevant records into the central bookbuilding system.

If the issuer adopts the discretionary allocation mechanism for all the investors

⁵⁵ The issuer may determine the final issuance amount before the bookbuilding process ends, in which case the issuance amount may not be adjusted after the bookbuilding process ends.

who have submitted eligible subscription orders, the relevant parties shall comply with the following provisions:

1. The issuer shall determine a pre-allocation amount based on subscription orders. Such pre-allocation amount shall not be lower than the issuance amount⁵⁶. The bookrunner shall list all the compliant subscription orders based on the interest rates therein (from the lowest to the highest). By reference to the Dutch auction principle, the subscription interest rate corresponding to the pre-allocation amount shall be the final interest rate on the bonds.
2. The Bond Allocation Manager and the issuer shall adhere to the principles of fairness, impartiality and orderly placement, establish internal control policies and procedures with respect to bond allocation to prevent improper transfer of benefits, and take effective measures to prevent anyone from interfering, through the allocation mechanism, with market-based pricing.
3. The Bond Allocation Manager shall formulate a bond allocation plan in accordance with the previously disclosed allocation principles, strengthen its end-to-end monitoring of, and record in detail, the process of determining the bond allocation plan, and ensure to keep records of the entire process for future inspections.
4. The Bond Allocation Manager shall disseminate the bond allocation plan it has formulated (with the names of the investors redacted) to all the principal underwriters and the members of the underwriting syndicate (if any) to seek their feedback. After having collected such feedback, the Bond Allocation Manager shall deliver to the issuer the bond allocation plan and the feedback so collected.
5. The issuer may consider the information relating to subscription orders and the underwriters' feedback, make adjustments to the bond allocation plan. The bond allocation plan shall become effective upon the issuer's confirmation and approval. The Bond Allocation Manager shall share the final bond allocation plan (with the names of the investors redacted) with all the principal underwriters and the members of the underwriting syndicate (if any).

(VI) Upon the issuer's confirmation and approval on the allocation plan, the Bond Allocation Manager shall promptly deliver a Confirmation on Investor's Allocation Amount to the principal underwriters and the members of the underwriting syndicate (if any) who have received bond allocations. The Bond Allocation Manager shall promptly inform the principal underwriters and the members of the underwriting syndicate (if any) that have not received any allocation.

⁵⁶ Issuers shall in principle ensure that the issuance amount be no less than 80% of the pre-allocation amount. If the issuance amount is less than 80% of the pre-allocation amount, the issuer shall apply the discretionary allocation mechanism only to the investors who have submitted subscription orders at the final interest rate. The total amount of eligible subscription orders shall be the sum of the amounts of all the compliant subscription orders at no higher than the final interest rate.

(VII) The members of the underwriting syndicate shall distribute the corresponding amount of the bonds to the respective investors in accordance with the Confirmation on Investor's Allocation Amount delivered by the Bond Allocation Manager.

(VIII) Issuers are encouraged to conduct non-deal roadshows on a regular basis to strengthen their communication and interaction with investors, and expand the potential investor base.

Issuers are also encouraged to include, among other factors, each principal underwriter's capabilities in market-based sales and marketing, pricing and market making in assessing mandates of principal underwriters.

Issuers are encouraged to set a narrow interest rate range for subscription to facilitate subscriptions by investors.

Issuers are also encouraged to determine the final interest rate on bonds through the method of "benchmark bond + basis points".

III. Self-regulatory Supervision

(IX) Issuers conducting bond pricing and allocations pursuant to this Notice shall make a record filing of the Issuance Plan and the Subscription Statement with NAFMII before releasing their offering documents to the market.

(X) The Bond Allocation Manager shall submit a special report to NAFMII within three (3) business days upon the completion of bookbuilding, describing the bond allocation principles and process, the allocation results and the reasons therefor. The Bond Allocation Manager shall actively cooperate with NAFMII on its post-issuance inspections.

(XI) NAFMII shall conduct self-regulatory supervision of the implementation of the Pilot Program. Suspected involvement of the relevant parties in any of the following circumstances in bond offerings may result in NAFMII's inspections, and, if the circumstances are serious, NAFMII shall initiate a self-regulatory investigation.

1. any relevant parties' improper transfer of benefits in bond allocation;
2. any underwriter deliberately providing the issuer or the Bond Allocation Manager with false or misleading information on investors' subscriptions for the purpose of increasing its allocations;
3. any underwriter's failure to distribute bonds in strict compliance with the Confirmation on Investor's Allocation Amount; or

4. any investor's failure to pay its subscription monies due to its subscription size exceeding its subscription ability.

IV. Promulgation and Effectiveness

(XII) This Notice shall take effect as of the date of its promulgation. Matters not specified in this Notice shall be governed by reference to the *Rules for the Registration and Issuance of Debt Financing Instruments of Non-Financial Enterprises*, the *Guidelines for Standardizing the Issuance of Debt Financing Instruments of Non-Financial Enterprises*, the *Operating Procedures for Bookbuilding for Debt Financing Instruments of Non-Financial Enterprises* and other relevant NAFMII self-regulatory rules.

National Association of Financial Market Institutional Investors

September 19, 2023

Appendix 1:

[Bond Name]

Investor Subscription Information Form

[Name of issuer]:

The information on the compliant subscription orders submitted through us during the process of subscription for [Bond Name] (the “**Bonds**”) is as follows:

Subscribing Investor Serial number	Full Name of Subscribing Investor ¹	Type of Subscribing Investor	Subscription Interest Rate	Subscription Amount (RMB10,000)	Remarks
1					
2					
...				

Note 1: Asset managers with incorporated or unincorporated products.

Note 2: Whether an investor’s subscriptions are for its principal account or wealth management/asset management account (if applicable) shall be specified.

Note 3: Where it is significantly difficult to provide an investor’s full name, a serial number can be provided instead, and details of the type and characteristics of such investor shall be provided.

If you have any questions, please contact us promptly:

Contact person: XX

Contact phone number: XX

Facsimile: XX

Underwriter:

YY/MM/DD

Appendix 2:

[Bond Name]

Allocation Plan

Underwriter	Subscribing Investor Serial Number¹	Type of Subscribing Investor	Subscription Interest Rate	Subscription Amount (RMB10,000)	Allocation Amount (RMB10,000)	Remarks
Underwriter 1	1					
	2					
	3					
Underwriter 2	1					
	2					
.....					

Note 1: Corresponds to the Subscribing Investor Serial Number in the Investor Subscription Information Form.

Appendix 3:

[Bond Name]

Confirmation on Investor's Allocation Amount

[Name of principal underwriter/member of underwriting syndicate]:

The allocation for [Bond Name] (the “**Bonds**”) is now completed. The issuance amount of the Bonds is RMB xxx million. Your final allocation amount is RMB xxx million. Detailed allocation information is as follows.

Investors Receiving Allocation¹	Allocation Amount (RMB10,000)	Remarks
Investor 1		
Investor 2		
... ..		

Note 1: Asset managers with incorporated or unincorporated products. Whether the investor's subscriptions are for its principal account or wealth management/asset management account (if applicable) shall be specified.

You shall distribute the Bonds to the corresponding investors pursuant to the above table.

If you have any questions, please contact us promptly:

Contact person: XX

Contact phone number: XX

Facsimile: XX

Bond Allocation Manager:

YY/MM/DD

Part III. Other Information

The Reform and Development of China's Bond Market (2024)

Chinese version:

https://www.nafmii.org.cn/xhdt/202405/t20240516_318064.html

English version:

<https://www.nafmii.org.cn/englishnew/news/202405/P020240516529514320393.pdf>

NAFMII English Website:

<https://www.nafmii.org.cn/englishnew/>

NAFMII Chinese Website “Panda Bond and International Communication” (Chinese)

<https://www.nafmii.org.cn/ztbd/xmzygjil/xmzsc/>

NAFMII Member Service Hotline:

400-026-7366

For panda bond questions please select 5

E-mail: gaoshuman@nafmii.org.cn

NAFMII WeChat Official Account

