

(JunHe) Sought out by underwriters and issuers in respect of listings, bonds and preferred shares matters.

—Chambers Global

## Onshore Bonds

**After many years of development, China has gradually formed a bond system centering on the exchange markets and the interbank market. Flexible and diversified onshore bonds have become an important channel for direct financing by governments, financial institutions and enterprises. In particular, the introduction of “bond connect” has further improved the liquidity and openness of the China bond market. Compared with credit financing, bond financing has more advantages in aspects such as high financing amounts, long term, interest rate liberalization and more flexibility in fund usage.**

JunHe has a team of attorneys with extensive knowledge and experience in the fields of onshore bond laws and industry, who do not only have first class legal service skills, but also have industry knowledge and good business awareness. The team's core attorneys have for many years been named as outstanding attorneys in the capital market (bond and equity) of mainland China by well-known world business attorney rating agencies, such as Chambers Asia Pacific, The Asia Pacific Legal, Asia Law & Practice, and International Financing Review. JunHe can provide comprehensive legal services for the issuers and underwriters in the issue of financial bonds, subordinated bonds and Tier 2 capital bonds by financial institutions in the inter-bank bond market. They are also experienced in the issue by non-financial enterprises with registration of medium-term notes, short-term financing bonds, Super & Short-term Commercial Paper (SCP) and asset-backed bills, as well as the issue by enterprises of corporate bonds and asset-backed securities at exchange market.

JunHe's clients in its onshore bond practice cover policy banks, commercial banks, state-owned enterprises under the central government, local state-owned enterprises, listed companies and various private enterprises. These industry sectors include banking, energy, petrochemicals, building, infrastructure, real estate, internet, and investments. JunHe has participated in several onshore bond issue projects of milestone significance and is highly recognized in the market.

### **JunHe can provide the following major legal services in onshore bond projects:**

- Participate in the discussion about the project application and issue scheme;
- Give legal advice and assist the issuer to draft internal resolutions, as well as review the relevant documents and agreements related to the project;
- Review the project application documents for approval, registration or filing with the regulatory authorities, and give legal advice and opinions;
- Conduct legal due diligence investigation on the issuer and its main domestic subsidiaries;
- Issue legal opinions as required by the Chinese laws and regulations and the regulatory authorities, and assist in the reply of questions from the regulatory authorities;
- Witness the bond issue process, and issue legal opinions accordingly.

JunHe, founded in Beijing in 1989, is one of the first private partnership law firms in China. Since its establishment, JunHe has grown to be a large and recognized Chinese law firm. The firm has twelve offices around the world and a team comprised of more than a thousand professionals.



**(JunHe) Leverages its solid finance law expertise and collaboration across departments to provide a one-stop service.**

—Chambers Greater China Region

#### Selected Deals

##### **The first deal of Tier-2 capital bond issued by A Commercial Bank – Tier-2 capital bond issued by Tianjin Binhai Rural Commercial Bank Corporation**

In August 2013, Tianjin Binhai Rural Commercial Bank Corporation initiated an opening tendering through the bond issue system of the inter-bank bond market and successfully issued RMB 1.5 billion Tier-2 capital bonds with write-down feature. The issue was the first bank capital bond to meet the qualifications for Tier-2 capital instruments issued in China since the implementation of the *Commercial Bank Capital Management Measures* (for Trial Implementation), which marks the official introduction of the innovation Tier-2 capital instrument in Chinese banks. JunHe, as the legal advisor to the underwriter, provided professional advice for the product transaction mechanism, agreed to terms, transaction rules and other aspects, and provided a standard model for the issue of Tier-2 capital instruments in the Chinese banking industry.

##### **The first deal of corporate bonds issued by a securities company – public offering of corporate bonds by China Merchants Securities**

In March 2013, China Merchants Securities Co., Ltd. successfully issued RMB 10 billion corporate bonds through a public offering upon approval by the China Securities Regulatory Commission (CSRC), and was listed for transaction at the Shanghai Stock Exchange, which opened up a new way for financing by securities companies in the capital market, and set the standard for financing by securities companies in the capital market. In absence of a market precedent, JunHe as the legal advisor to the issuer, along with other various intermediary agencies, assisted China Merchants Securities to successfully complete the first deal of corporate bond issuance by a securities company, with its professional legal knowledge and outstanding business awareness.

##### **The first deal of renewable corporate bond project – renewable corporate bond issue by Jinmao Shanghai**

In June 2016, Jinmao Investment Management (Shanghai) Co., Ltd. completed an offering of the 2016 renewable corporate bonds (Series I) upon approval of CSRC, and the ultimate offering scale was RMB 2 billion, at an ultimate coupon rate of 3.70%. This was the first real estate renewable corporate bond issue approved in China, which opened up a new way of financing at low cost in the real estate industry. JunHe, as the legal advisor to the underwriter, participated in the whole process of the design of the terms of this renewable corporate bond and provided strong professional support to the issuer and the lead underwriter.

##### **The first deal of issue of innovation and entrepreneurship convertible bonds by a non-listed enterprise – non-public offering of innovation and entrepreneurship convertible bonds by www.valueonline.cn**

In December 2017, the innovation and entrepreneurship convertible bonds issued by www.valueonline.cn through non-public offering was listed on the Shenzhen Stock Exchange, which became the first deal of issue of the innovation and entrepreneurship convertible bonds by a non-listed enterprise through a non-public offering. JunHe, as the legal advisor of the issuer, assisted the enterprise in completing this in a highly efficient and timely manner. With its outstanding professional ability and innovative spirit, JunHe paved a new way, in that issuers of convertible bonds should be listed companies, and well satisfied the financing needs of innovation and entrepreneurship.

China Debt Firm of the Year  
2023  
China Equity Capital Markets Firm  
of the Year  
2022  
China Debt Capital Markets Firm  
of the Year  
2021  
IFLR Asia-Pacific Awards

Debt Securities Deal of the Year -  
China Merchants Bank's Issuance  
of US\$600 million Dual-tranche  
Sustainability and Green Bonds  
2022  
China Law & Practice Awards

Deals of the Year -  
Shenzhen Government Issued Local  
Bonds to Hong Kong  
2021  
China Business Law Deals of the Year

A Capital Markets Law Firm of the  
Year - China  
2022  
In-House Community

JunHe was one of the first domestic law firms to be approved to advise on securities and capital markets and has placed this practice area at the core of the firm's growth and development. Throughout the years, JunHe has helped companies from diverse industries, countries and business stages to raise capital and achieve their corporate goals. Our clients benefit from our extensive knowledge of the legal framework and the practical realities of raising capital in China and overseas.