

**Lianhe Global: Redsun Properties Group Limited's Long-term Issuance Credit Rating Unaffected by the Proposed USD Notes Tap Issuance**

HONG KONG, 16 July 2020 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, says Redsun Properties Group Limited’s (“Redsun”; ‘BB-/Stable’) proposed tap issuance of its USD300 million 9.70% senior notes due 2023 will not affect the ‘BB-’ rating on the notes.

The proposed tap issuance will carry the same terms and conditions as the existing USD notes and is rated at the same level as Redsun's global scale Long-term Issuer Credit Rating of ‘BB-’ because they constitute Redsun’s unsubordinated and unsecured obligations.

Redsun’s rating reflects its operating track record and continuous expansion in tier 2 & 3 cities, especially in the Yangtze River Delta. However, Redsun’s rating is constrained by its small operating scale and land bank, moderately high financial leverage, and lower-than-peer interest coverage.

**About Lianhe Global**

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local government financing vehicles, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

**Rating Methodology**

The principal methodology used in Redsun’s ratings are Lianhe Global’s General Corporate Rating Criteria published on 16 July 2018, which can be found at the website [www.lhratingsglobal.com](http://www.lhratingsglobal.com).

**Note:** The above Issuer/Issuance Credit Ratings are solicited at the request of the rated entity or a related third party.

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