

**Lianhe Global Celebrates 3<sup>rd</sup> Year Anniversary. Thank You for Your Support!**

As the world continues fighting against COVID-19 pandemic, Lianhe Ratings Global Limited (“Lianhe Global” or “the Company”) ushers in its 3<sup>rd</sup> birthday. Lianhe Global would like to sincerely thank the international bond market participants for your support and encouragement in the past three years. At the same time, we also would like to share our remarkable performance with you.

In the past 3 years, Lianhe Global has grown significantly in the Chinese US bond market especially in the Real Estate and Local Government Financing Vehicles (“LGFVs”) sectors. We obtained a Type 10 license (Providing Credit Rating Services) from the Securities and Futures Commission of Hong Kong in July 2018 and has since rated USD 11.95 billion worth of bonds, making us the largest Chinese offshore credit rating agency in the cross-border bond market. In addition, Lianhe Global has assigned and published global scale issuer credit ratings (all solicited) to nineteen issuers; Liangshan Development (Holdings) Group Co., Ltd. (“Liangshan”), Yuzhou Group Holdings Company Limited (“Yuzhou”), CIFI Holdings (Group) Co. Ltd. (“CIFI”), Logan Group Company Limited (“Logan”), Jingrui Holdings Limited (“Jingrui”), Redsun Properties Group Limited. (“Redsun”), Yango Group Company Limited (“Yango”), Qingdao City Construction Investment (Group) Limited (“QCCI”), Fujian Yango Group Co., Ltd. (“Fujian Yango”), China Hongqiao Group Limited (“China Hongqiao”), Radiance Group Co., Ltd. (“Radiance”), Zhengzhou Urban Construction Investment Group Co., Ltd. (“ZZC”), Yancheng Oriental Investment & Development Group Co., Ltd. (“Yancheng Oriental”), China Aoyuan Group Limited (“Aoyuan”), E-House (China) Enterprise Holdings Limited (“E-House”), Golden Wheel Tiandi Holdings Company Limited (“Golden Wheel”), LVGEM (China) Real Estate Investment Company Limited (“LVGEM”), Zhongliang Holdings Group Limited (“Zhongliang”) and Yincheng International Holding Group Limited (“Yincheng”).

The rated bonds were issued by Yuzhou, Logan, Jingrui, Redsun, Yango, Liangshan, China Hongqiao, Fujian Yango, QCCI, Yancheng Oriental, Radiance, ZZC, E-House, Golden Wheel, LVGEM and Aoyuan. All the bond ratings assigned by Lianhe Global are solicited. These bond issuances were well-received by the market with the final total subscription amount far exceeding the total issuance amount.

As a homegrown international rating agency, Lianhe Global possesses unique local insight and understanding about the Chinese government framework and business environment in which Chinese issuers operate, enabling us to provide investors a different perspective from the big three U.S. rating agencies. Our international expertise and professionalism mirror the big three international rating agencies as about 75% of our current employees have previously worked for the international rating agencies in Asia for a substantial period of time.

In Finance Asia’s China Awards 2019 and 2020, Lianhe Global was named the “Best Chinese Offshore Ratings Agency” for both years. These awards demonstrate the recognition of the added value brought by Lianhe Global to the Chinese offshore bond markets arena. Our

analytical excellence and investor outreach are highly valued by market participants in better understanding the credits of Chinese offshore bond issuers.

In The Asset's Triple A Rating Agency of the Year Awards 2019, Lianhe Global was named the Rating Agency of the Year – Global in China. This award highlights the strength of Lianhe Global operating in the region in providing cross-border investors and issuers with fundamental parameters regarding the creditworthiness of corporates, public finance companies and financial institutions.

In the "2019 Best Chinese USD Deals and Outstanding Institutions" online poll conducted by Wall Street Trader App /SereSbond, Lianhe Global won two out of the three awards for the Chinese rating agencies, namely "Outstanding Chinese Agency for Chinese Companies' USD Bonds" and "Outstanding Chinese Rating Agency for Chinese Companies USD Bonds - Real Estate Sector". The result of this voting symbolizes the recognition of Lianhe Global by Chinese USD bond market participants, and also gave us great encouragement to continue to gain more market share and better serve Chinese dollar bond market participants with local China insight.

Lianhe Global has published non-rating commentaries in various industry sectors, including the Chinese property developers, Chinese local government financing vehicles ("LGFVs"), Chinese banks and non-bank financial institutions in order to provide our views on relevant industry developments. We also regularly update our views on regulatory change and critical credit events. In January 2019 we published outlook reports on Chinese property developers, LGFVs and financial leasing companies and we shared our opinion on the Qinghai Provincial Investment Group which missed its interest payment. In February we published commentaries on China regarding its suitable monetary and financial environment to support future economic growth. In June we published a Chinese property market mid-year review, together with factors to consider when analyzing Chinese property developers. In August to October we had a series of review and summary views on the offshore US Dollar debt market, Panda bonds market, China's onshore bond market, and counter-cyclical measures which benefit China's bond market. During this period, we also continued our research on China LGFVs and China property sectors, and published commentaries on China's domestic spending plans which underpin LGFVs and property developers' credit. In November we published 2020 outlook reports for LGFVs and property developers including factors to consider when analyzing Chinese LGFVs. In February 2020, we shared our opinion on China's economic structural adjustment in COVID-19 outbreak, in which we mentioned our point of view to the future performance of Chinese Real Estate sector. In March, we published our report on Chinese LGFV offshore USD bond market. In July, we published our mid-year review reports on Chinese property developers and Chinese LGFVs. In September, we published our commentary on the 2020 interim results of our rated property developers. All our reports and commentaries are distributed to Chinese US dollar bond market participants including investors, bankers, issuers and financial media professionals.

Lianhe Global also regularly provides outreach to offshore bond investors through one-on-one meetings and conferences and has met more than 1,400 investors. In January 2019 our CEO

accompanied Vanguard to visit our parent group's Beijing office in order to share onshore and offshore bond market intelligence. In March 2019, we held two conferences - "China's Local Government Financing Vehicle Industry Conference" with a top U.S. investment bank and "China's Local Government Financing Vehicle Industry & Property Developer Industry Conference" with a leading private bank in Hong Kong. In June, we held a conference on "How to Interpret China's Local Government Financing Vehicle Industry" with Guotai Junan International Holdings Limited. In July, we held another conference with Wind Information (Hong Kong) Co., Ltd. on the Chinese offshore bond market. In September to December, we held two conferences with two top Chinese offshore bond underwriters (Bank of China, Hong Kong Branch and China Minsheng Bank, Hong Kong Branch) on China property developers and LGFVs together with our affiliated onshore rating agencies. During the same period, we also held two events with Wall Street APP in Shanghai and Beijing covering the China offshore USD dollar bond market and China Credit Market outlook with more than 280 market participants attending. In June 2020, we held an online 3C meeting on Chinese Real Estate sector, and this is our second collaboration with Wind Information (Hong Kong) Co., Ltd. In the same month, Duration Finance, Central Wealth Securities Investment Limited and us co-organized another online summit on the Chinese USD bond market. There were over 500 market participants in these two online events and our analysis and comments were highly valued by them.

In addition, Lianhe Global actively participates in third-party investor events as speakers or guests. In January 2019, we presented the development of the Chinese offshore bond market in a conference organized by our affiliated onshore rating agencies. Our CEO shared his views on the onshore and offshore ratings during The China Debt Capital Markets Summit 2019 in Beijing organised by Euromoney/Global Capital. Our senior analytical team was invited as one of the speakers in a US Dollar Bond Market Summit held by Haitong International Securities Company Limited in Chengdu along with our investor coverage team. Due to the inclusion of onshore bonds by Bloomberg Barclays Global Aggregate Index, the Chinese credit market is a very hot topic for overseas investors. Lianhe Global's CEO was invited and shared his views on China's onshore and offshore bond markets in the China Fixed Income Summit held by FinanceAsia in September 2019 and the Asia Credit Summit held by J.P. Morgan in October 2019. In November 2019 we also attended as a panelist in the China Capital Markets Conference hosted by ASIFMA.

Lianhe Global summarized the most commonly asked questions by investors in our "Offshore Investors' Top 10 Questions about the Credit Profiles of Chinese Bond Issuers Report" published in January 2019. The 2019 Chinese Offshore USD Bond Investor Survey Report was published in February 2019 after we conducted collected feedback and surveys from 24 one-on-one meetings with Chinese offshore USD bond investors in Hong Kong. In March 2020, we conducted another investor survey in Chinese offshore USD bond market. We summarized the opinions from these 32 investors and published 2 summarized reports.

Lianhe Global is a wholly-owned subsidiary of Lianhe Credit Information Service Co., Ltd. ("Lianhe Group"). Lianhe Group also owns China Lianhe Credit Rating Co., Ltd ("Lianhe Ratings") which focuses on the Interbank Market and United Credit Ratings Co., Ltd. ("United

Ratings”) which focuses on the Exchange Market in China. Together, we refer to them as Lianhe Capital Markets. Lianhe Capital Markets is now one of the two largest credit rating agencies in China with more than 30% market share since its founding in 2000. As of September 2020, Lianhe Capital Markets had approximately 350 analysts covering a portfolio of 5,000 issuers ranging from corporates, LGFVs, and banks, to structured finance products in China.

### **Contact Information**

Stan Ho  
Chief Executive Officer  
(852) 3462 9568  
[stan.ho@lhratingsglobal.com](mailto:stan.ho@lhratingsglobal.com)

Alex Kung  
Senior Director, Analytical Team  
(852) 3462 9577  
[alex.kung@lhratingsglobal.com](mailto:alex.kung@lhratingsglobal.com)

Joyce Huang, CFA  
Senior Director, Analytical Team  
(852) 3462 9578  
[joyce.huang@lhratingsglobal.com](mailto:joyce.huang@lhratingsglobal.com)

Ben Yau  
Director, Analytical Team  
(852) 3462 9586  
[ben.yau@lhratingsglobal.com](mailto:ben.yau@lhratingsglobal.com)

Joyce Chi  
Managing Director of Business Development  
(852) 3462 9569  
[joyce.chi@lhratingsglobal.com](mailto:joyce.chi@lhratingsglobal.com)

Elsa Yu  
Associate Director of Business Development  
(852) 3462 9581  
[elsa.yu@lhratingsglobal.com](mailto:elsa.yu@lhratingsglobal.com)

## Disclaimer

Credit rating and research reports published by Lianhe Ratings Global Limited (“Lianhe Global” or “the Company” or “us”) are subject to certain terms and conditions. Please read these terms and conditions at the Company’s website: [www.lhratingsglobal.com](http://www.lhratingsglobal.com)

A credit rating is an opinion which addresses the creditworthiness of an entity or security. Credit ratings are not a recommendation to buy, sell, or hold any security. Credit ratings do not address market price, marketability, and/or suitability of any security nor its tax implications or consequences. Credit ratings may be subject to upgrades or downgrades or withdrawal at any time for any reason at the sole discretion of Lianhe Global.

All credit ratings are the products of a collective effort by accredited analysts through rigorous rating processes. No individual is solely responsible for a credit rating. All credit ratings are derived by a credit committee vesting process. The individuals identified in the reports are solely for contact purpose only.

Lianhe Global conducts its credit rating services based on third-party information which we reasonably believe to be true. Lianhe Global relies on information including, but not limited to, audited financial statements, interviews, management discussion and analysis, relevant third-party reports, and publicly available data sources to conduct our analysis. Lianhe Global has not conducted any audit, investigation, verification or due diligence. Lianhe Global does not guarantee the accuracy, correctness, timeliness, and/or completeness of the information. Credit ratings may contain forward-looking opinions of Lianhe Global which may include forecasts about future events which by definition are subject to change and cannot be considered as facts.

Under no circumstances shall Lianhe Global, its directors, shareholders, employees, officers and/or representatives or any member of the group of which Lianhe Global forms part be held liable to any party for any damage, loss, liability, cost, expense or fees in connection with any use of the information published by the Company.

Lianhe Global receives compensation from issuers, underwriters, obligors, or investors for conducting credit rating services. None of the aforementioned entities nor its related parties participate in the credit rating process aside from providing information requested by Lianhe Global.

Credit ratings included in any rating report are solicited and disclosed to the rated entity (and its agents) prior to publishing. Credit rating and research reports published by Lianhe Global are not intended for distribution to, or use by, any person in any jurisdiction where such use would infringe local laws and regulations. Any user relying on information available through credit rating and research reports is responsible for consulting the relevant agencies or professionals accordingly to comply with the applicable local laws and regulations.

All published credit rating and research reports are the intellectual property of Lianhe Global. Any reproduction, redistribution, or modification, in whole or part, in any form by any means is prohibited unless such user has obtained prior written consent from us.

Lianhe Global is a subsidiary of Lianhe Credit Information Service Co., Ltd. The credit committee of Lianhe Global has the ultimate power of interpretation of any methodology or process used in the Company’s independent credit ratings and research.

Copyright © Lianhe Ratings Global Limited 2020.