

Lianhe Global's 2021 Business Review

Following the pandemic, 2021 was a challenging year for Lianhe Ratings Global Limited ("Lianhe Global" or "the Company"). However, with the support from the international bond market participants, Lianhe Global still managed to grow well in the Chinese US dollar bond market. We would like to make use of this opportunity to thank all of you. At the same time, we also hope to share with you a summary of our achievements in 2021 and we look forward to a good year in 2022.

In the past 4 years or so, Lianhe Global grew substantially in the Chinese US bond market especially in the China Property and Local Government Financing Vehicles ("LGFVs") sectors. In 2021, Lianhe Global rated USD 6.86 billion worth of bonds totaling 31 transactions. This is far ahead of other Chinese offshore credit rating agencies in the cross-border bond market. During the same period, Lianhe Global assigned and published global scale issuer credit ratings (all solicited) to 13 new issuers: Dexin China Holdings Co., Ltd., Redco Properties Group Ltd., Wuxi Construction and Development Investment Co., Ltd., Shinsun Holdings(Group) Co., Ltd., Jiangsu Shagang International Trade Co., Ltd., Jinke Properties Group Co., Ltd., Agile Group Holdings Ltd., Huijing Holdings Company Ltd., Jiangsu Zhongnan Construction Group Co., Ltd., Pujiang International Group Ltd., Shaoxing City Investment Group Ltd., Taizhou Huaxin Pharmaceutical Investment Co., Ltd. and Shuifa Group Co., Ltd.

The rated bonds were issued by Golden Wheel Tiandi Holdings Co., Ltd., CIFI Holdings (Group) Co., Ltd., Redsun Properties Group Ltd., Zhongliang Holdings Group Co., Ltd., Dexin China Holdings Co., Ltd., Logan Group Co., Ltd., Sinic Holdings (Group) Co., Ltd., Fujian Yango Group Co., Ltd., Jingrui Holdings Ltd., Redco Properties Group Ltd., Yango Group Co., Ltd., Jinke Properties Group Co., Ltd., Jiangsu Shagang International Trade Co., Ltd., Shinsun Holdings(Group) Co., Ltd., China Hongqiao Group Ltd., E-House China Enterprise Holdings Ltd., China Aoyuan Group Ltd., Agile Group Holdings Ltd., Huijing Holdings Company Ltd., Shaoxing City Investment Group Ltd., Yuzhou Group Holdings Co., Ltd., and Yincheng International Holding Co., Ltd. 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 over half of our current employees have previously worked for the Big 3 international credit rating agencies in Asia for a substantial period of time.

In May 2021, Lianhe Global was named the "Best Chinese Offshore Ratings Agency" in FinanceAsia's China Awards. This is the third consecutive year that Lianhe Global received this honor. The award demonstrates 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 January 2021, Lianhe Global won the "Best Chinese Rating Agency" award in the Chinese Offshore Bonds Summit by Duration Finance. In the "2020 Best Chinese USD Deals and Outstanding Institutions" online poll conducted by Wall Street Trader App/SereSbond in February 2021, we won the award "2020 Outstanding Chinese International Ratings Agency Award". These results symbolize the recognition of Lianhe Global by Chinese USD bond market participants, and also gives us great encouragement to continue serving Chinese dollar bond market participants with local China insight.

Lianhe Global has published non-rating commentaries in various industry sectors in order to share our views on relevant industry developments. We also regularly update our views on regulatory changes and critical credit events. In January 2021, we shared our 2021 outlooks on the Chinese property and LGFV sectors. In April 2021, we published our report on the 2020 annual results announcement review of the Chinese property developers. In July 2021, we published our mid-year review and outlook reports on the Chinese property developers and LGFVs. In December 2021, we released commentaries on the 2021 review and 2022 outlook of the Chinese property developers and LGFVs. All our reports and commentaries are freely 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, roundtable discussions and conferences. In January 2021, we co-organized the "2021 China LGFVs and SOEs Outlook" with a top U.S. investment bank. In February 2021, we cooperated with Haitong International Securities Group Co., Ltd. to host a webinar on the outlook of the Chinese property USD bond market. There were about 300 market participants in these two online events. In July 2021, we, in collaboration with Duration Finance, held an online meeting about the Chinese Real Estate sector using the Wind 3C platform and Tencent Meeting platform, with over 410 participants. At the onset of the China property USD bond crisis in September 2021, we invited 8 senior investors from major buy-side firms for a close-door discussion and luncheon at Conrad Hotel Hong Kong. In December 2021, more than 1,500 different market participants joined the "Property and LGFVs USD Bonds 2022 Outlook" webinar held by Lianhe Global and Wall Street Trader App. The high turnout rate in our events show that our analysis and opinions are highly valued by market participants.

In addition, Lianhe Global actively participates in third-party investor events every year as speakers or panelists. In March 2021, Joyce Chi, the Head of Business Development of Lianhe Global, was invited to join a panel discussion on China's rising onshore defaults in the Global Emerging Markets Corporate Conference hosted by J.P. Morgan. In November 2021, Lianhe Global participated in four large scale investor events. Firstly, BofA Securities invited Dr. Stan Ho, the CEO of Lianhe Global, to join in a roundtable discussion on the diverging trend of the China offshore bond market from a rating/default perspective in their 2021 China Conference. Secondly, FinanceAsia invited Dr. Stan Ho to participate in a panel discussion on outlook for green bonds, and Joyce Chi to have a one-on-one Q&A session about dealing with rising defaults at their 3rd China Fixed Income Summit. Thirdly, Hong Kong Securities & Futures Professionals Association invited Joyce Chi and our senior analysts (Alex Kung and Ben Yau) to share their knowledge with their members regarding the China offshore bond market

structure, and rating methodology, review and outlook of the Chinese property and LGFV sectors. Fourthly, China Great Wall Asset Management invited us to provide an internal staff training on the rating industry and exchange views on the China property and LGFV sectors.

Lianhe Global conducts an investor survey on the Chinese offshore bond market at the beginning of each year to understand investors' views. For this year, we covered 4 parts in our survey: General Questions, Views on Macroeconomy, Views on the Kung Fu Bond Market, and the Investment Strategy in the Kung Fu Bond Market. We collected the opinions and feedbacks from 26 one-on-one investor calls/meetings and published 2 summarized reports in February 2021.

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