

China Offshore Bond Market 2023 Outlook: Safety Comes First Amid Challenging Environment

Summary

The China offshore bond market was continuously supported by the refinancing needs of LIDC. However, the tightened policies on the use of proceeds from LIDC bond issuance, ongoing defaults and credit events of Chinese property developers and higher offshore financing costs due to the sharp Fed rate hike led to the decline in the new issuance amount. The China offshore USD bond new issuance dropped by 43.5% year-on-year to USD93.5 billion for the first ten months in 2022 (10M2022).

China LIDC offshore USD bond new issuance dropped by c. 29% year-on-year for the four months ended October in the second half of 2022 (2H2022), compared with c. 75% increase year-on-year in the first half of 2022 (1H2022). Local governments faced heightened pressure on their budgetary finances and tightened policies on resolving implicit debt generally in 2022. On the other hand, the central government encouraged and accelerated the special purpose bond issuance by local governments. The central government widened the scope for use of proceeds, but it also strengthened the supervision to ensure the proceed was used for boosting the investment and the economy.

We believe the refinancing need of LIDC will remain intact in 2023, but the credit polarization and consolidation of LIDC will also continue and intensify in 2023. Regions and provinces with high levels of implicit debts, high debt ratio, high proportion of government fund income in their fiscal revenue and low economic development level will face tight liquidity and high refinancing risk. Also, some LIDC may have increasing involvement in land acquisitions and property development business. Attention should be paid if these activities are not the primary roles and functions of these LIDC.

Though more supportive measures were introduced in the real estate industry, we remain cautious on the liquidity and repayment capability of property developers, until we see a meaningful recovery generated from rebound on contracted sales and/or improved access to financing channels. Moreover, if there is no significant improvement in liquidity and access to refinancing channels, some property developers will face heightened default risk when their exchange offers expire in the next 12 months.

The offshore green and sustainable USD bond new issuance retreated starting from 2H2022, due to the tighter requirement on the use of proceeds stated in the China Green Bond Principles. Nevertheless, the HKSAR government promoted the green and sustainable bond market in Hong Kong through expanding the government green bond issuance size, providing subsidy to encourage corporate green bond issuance and proposing a training pilot scheme. Also, Hainan issued blue bonds and sustainability bonds in Hong Kong in October 2022, and Shenzhen issued green bonds, blue bonds and sustainability bonds in Hong Kong in November 2022. The development as a global offshore RMB debt financing platform would facilitate green and sustainable bond issuance in Hong Kong.

A) China Offshore Bond Market: Review in 10M2022

New Issuance Amount Declined, Despite the Support from LIDC Refinancing Needs

The China offshore USD bond new issuance dropped by 43.5% year-on-year to USD93.5 billion in 10M2022, compared with USD165.5 billion issued during the same period in 2021 (EXHIBIT 1). Specifically, the new issuance amount dropped by 53.6% to USD29.5 billion for the four months ended October in 2H2022, compared with the same period in 2021. Nevertheless, the number of new issues increased to 742 in 10M2022, compared with 574 during the same period in 2021 (EXHIBIT 2).

The refinancing needs of LIDC continued to support the new issuance, but the significant decrease in the new issuance by Chinese property developers led to the decline of the total new issuance amount in 10M2022. Moreover, the tightened regulations on the use of proceeds raised from LIDC bond issuance, along with the higher offshore financing cost caused by the sharp Fed rate hike, led to a higher year-on-year decline of the new issuance amount for the four months ended October in 2H2022.

The total amount of Chinese offshore bonds defaults has increased for four consecutive years starting from 2019 (EXHIBIT 3). The total default amount reached USD39.4 billion as of 31 October 2022 (EXHIBIT 3), which was equivalent to 283% of the total default amount in 2021. As a result, the offshore bond defaults accounted for 86.2% of all Chinese bond defaults as of 31 October 2022. It was mainly due to the increasing number of default events of Chinese property developers.

Exhibit 1: Total Amount of China Offshore Bond New Issuance

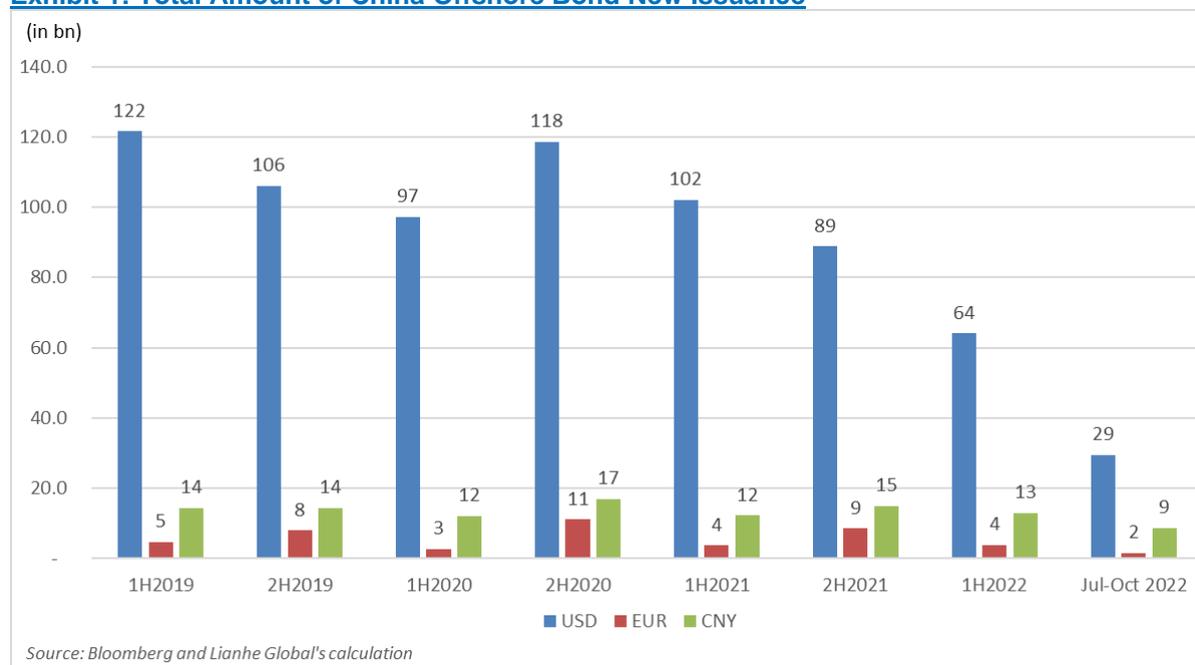


Exhibit 2: Number of China Offshore Bond New Issuance

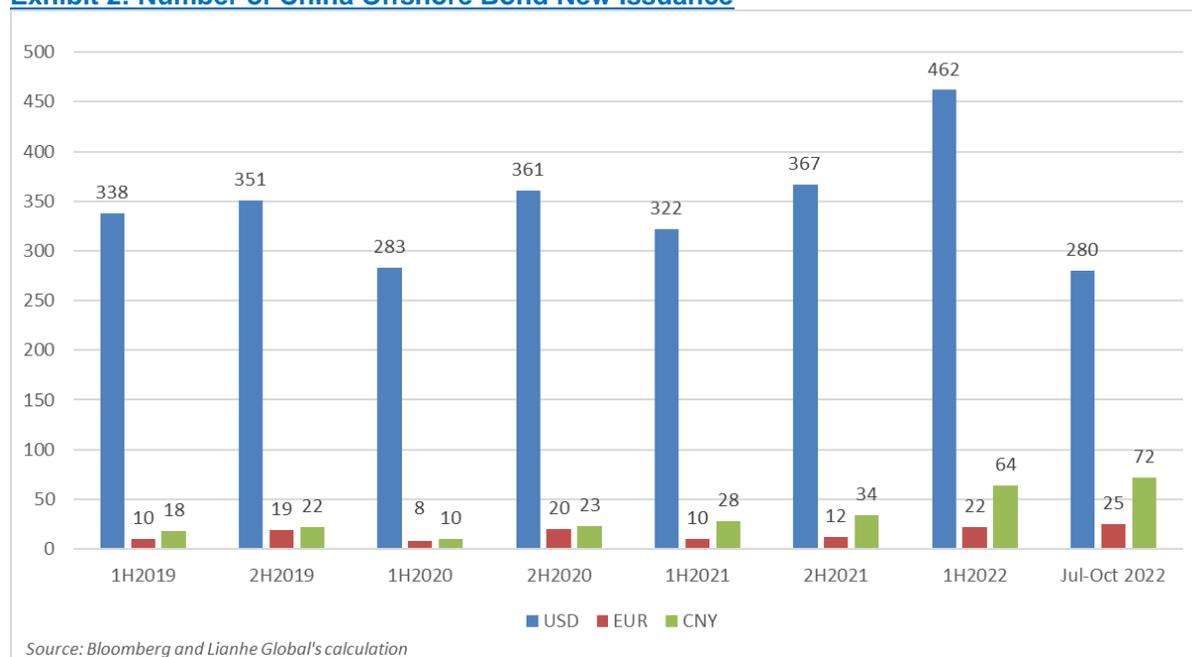
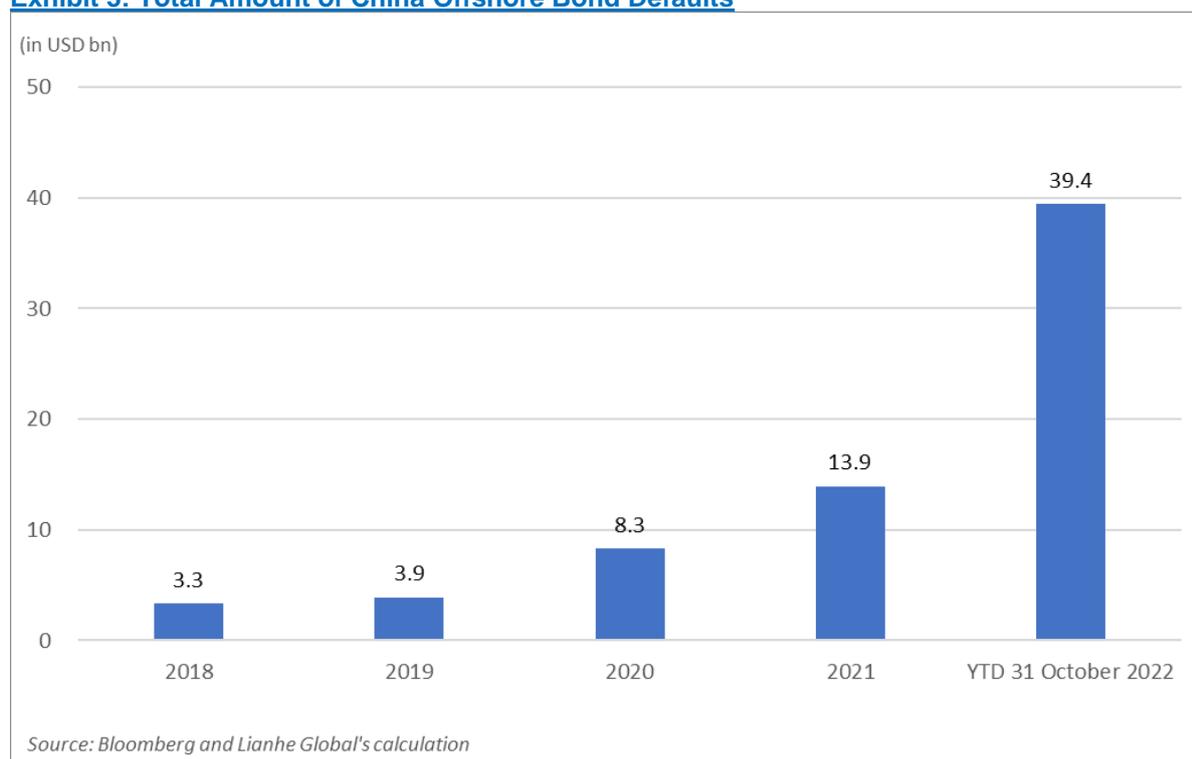


Exhibit 3: Total Amount of China Offshore Bond Defaults



Short Tenor Dominated New Issuance, Upcoming Maturity Wall in 2023-2025

Given most of the new issuance were mainly for refinancing purpose, bonds with short tenors (1-5 years) accounted for the majority (91%) of the total offshore USD bond new issuance in 10M2022 (EXHIBIT 4). Short-term bonds with maturity of less than 1 year contributed 13% of the new issuance in 10M2022. Bonds with maturity of 1-3 years accounted for 62% of the new issuance during the same period, followed by bonds with maturity of 3-5 years (16%).

At end-October 2022, the outstanding amount of offshore USD bond was USD791 billion (EXHIBIT 5), of which USD441 billion, or 55.8% of the total outstanding amount, will mature in 2023-2025. Also, USD141 billion will mature in 2023, which was equivalent to 17.8% of the total outstanding amount and 150.8% of the new issuance amount in 10M2022. Therefore, we expect the refinancing demand from issuers remains intact and it will support the new issuance in 2023, especially for LIDC.

Exhibit 4: Tenor Distribution of China Offshore USD Bond New Issuance in 10M2022

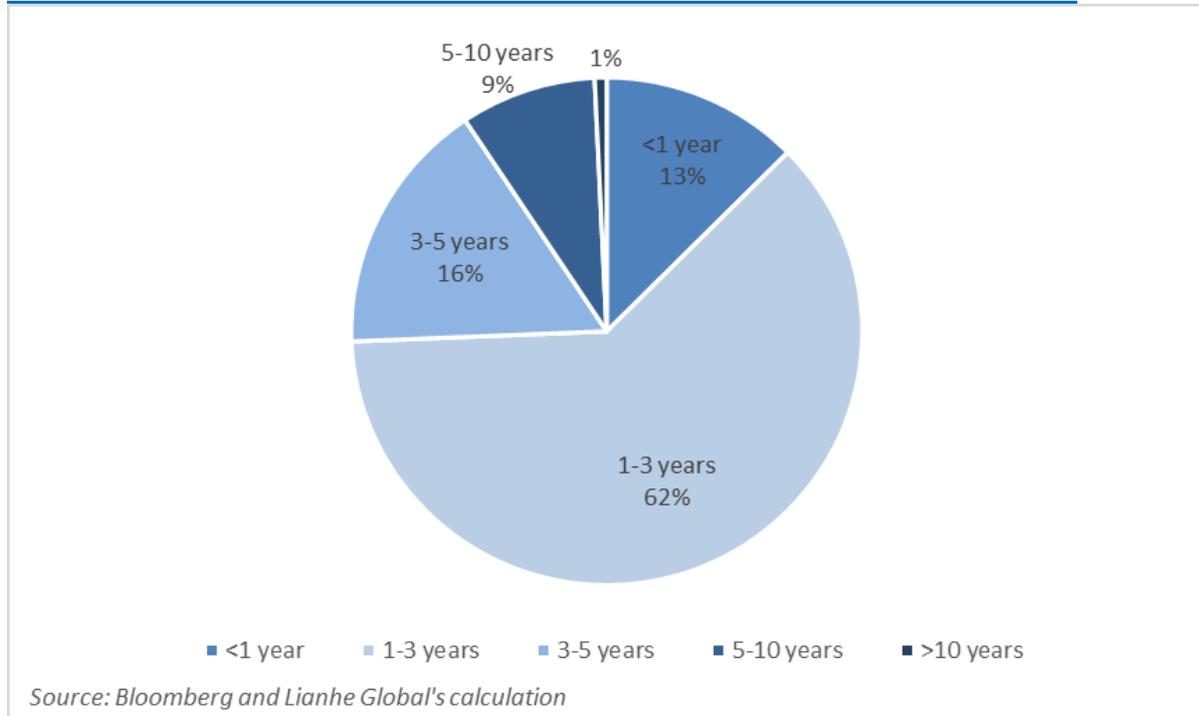
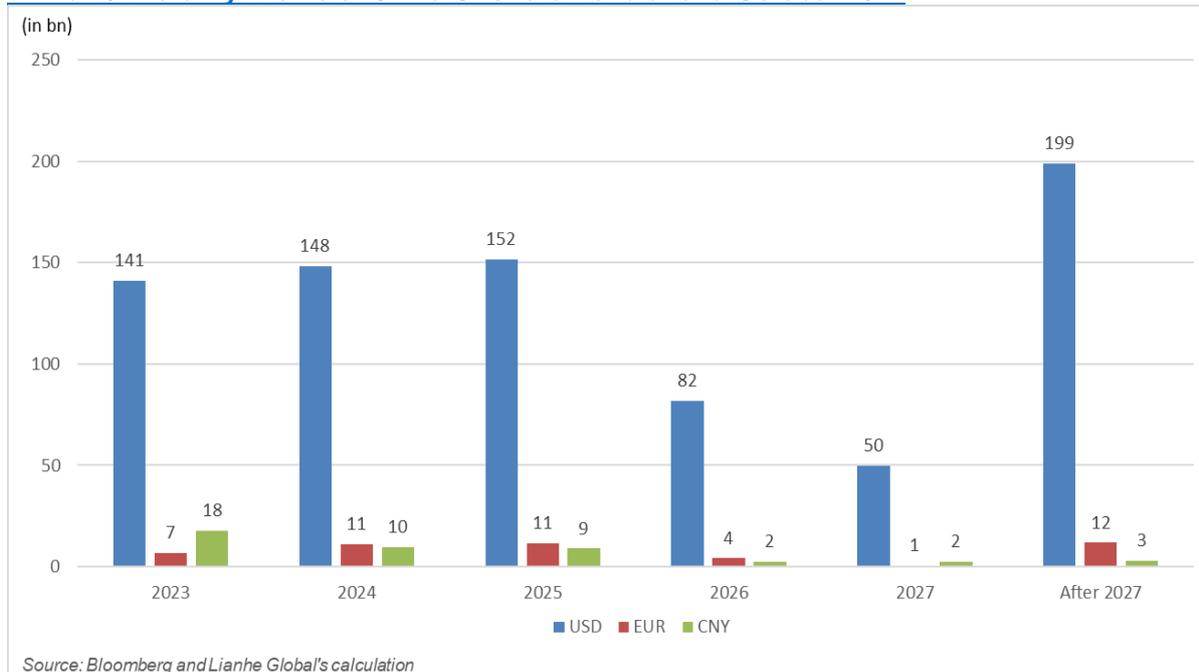


Exhibit 5: Maturity Profile of China Offshore Bond at end-October 2022



B) LIDC

Review of LIDC Offshore USD Bond Issuance in 10M2022

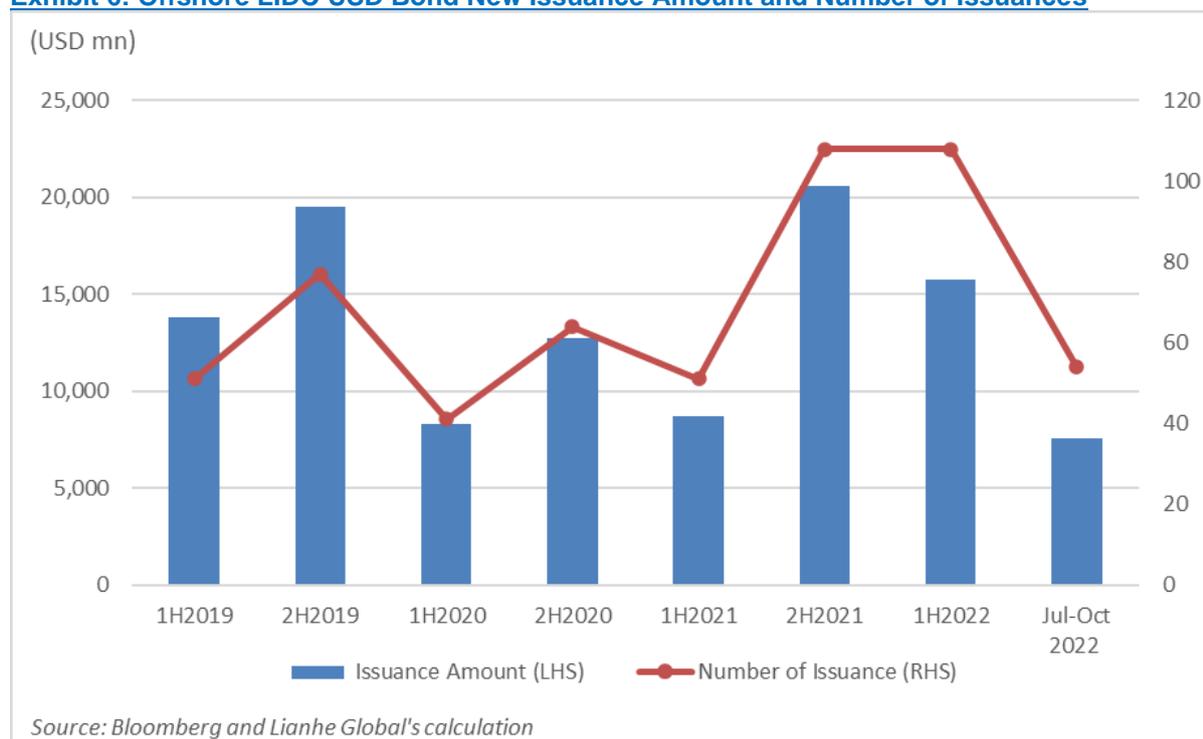
New Issuance Increased in 10M2022, but Growth Rate Slowed Down in 2H2022

China LIDC offshore USD bond new issuance reached USD23.3 billion in 10M2022, increased by 20.5% compared with the same period in 2021 (EXHIBIT 6). Specifically, the issuance amount increased by c. 75% year-on-year in 1H2022, while it dropped by c. 29% year-on-year for the four months ended October in 2H2022.

The refinancing needs of LIDC shore up LIDC new issuance in 10M2022. Also, some LIDC issued offshore USD bond for the first time in 1H2022, given the tightened financing policies onshore for LIDC and favorable offshore financing cost compared with onshore markets in 1H2022. Moreover, some LIDC with lower credit profiles were able to achieve their debut offshore USD bond issuance, supported by the credit enhancement by SBLCs.

However, the offshore financing cost increased rapidly given the sharp Fed rate hike starting from 2H2022. Moreover, the tightened policies on implicit debt of local governments and the use of proceeds raised from bond issuance by LIDC lowered the willingness of LIDC for offshore bond issuance. These factors led to the slowdown of offshore USD bond issuance growth in 2H2022.

Exhibit 6: Offshore LIDC USD Bond New Issuance Amount and Number of Issuances



Developing Trend in Issuance Landscape

Investment grade and non-rated issuances dominated LIDC offshore USD bond issuance over the past two to three years (EXHIBIT 7), among which the proportion of non-rated issuances to total issuances increased from c. 45% in 2020 to c. 67% in 10M2022. On the contrary, the

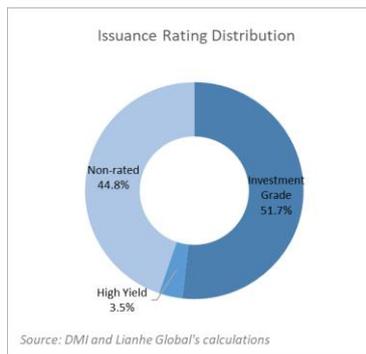
proportion of investment grade issuances decreased from c. 52% in 2020 to c. 25% in 10M2022. Also, the proportion of credit-enhanced issuances backed by SBLCs continued to increase from c. 19% in 2020 to c. 45% in 10M2022 (EXHIBIT 8). We believe these trends reflected the intensified credit polarization between issuers. More importantly, some issuers may face difficulty in raising funds onshore, especially those LIDC with weak credit profiles, so they had to rely on non-rated and/or credit-enhanced issuances to raise funds offshore.

Also, the proportion of issuers at the district or county level increased from c. 17% in 2020 to c. 50% in the 10M2022 (EXHIBIT 9), as some of these issuers faced increasing difficulty in raising funds onshore. Also, key issuer regions of domicile remained to be the major provinces such as Zhejiang, Jiangsu, Shandong and Guangdong (EXHIBIT 10).

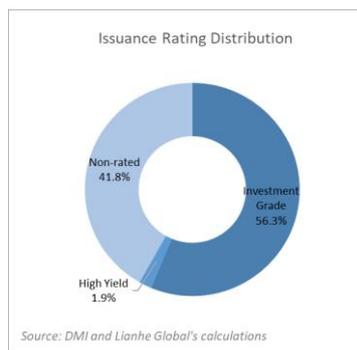
Most of the LIDC offshore USD bond issuances had tenor of 3 years, which dominated c. 75-84% of the total issuances between 2020 and 10M2022 (EXHIBIT 11). The proportion of issuances with tenor less than 3 years also increased from c. 2% in 2020 to c. 15% in 10M2022. Conversely, the proportion of issuances with long tenor (i.e. 5 years or above, perpetual) dropped significantly to c. 2% in 10M2022 from c. 18% in 2020.

Exhibit 7: Issuance Rating Distribution of China LIDC Offshore USD Bond Issuance

2020:



2021:



10M2022:

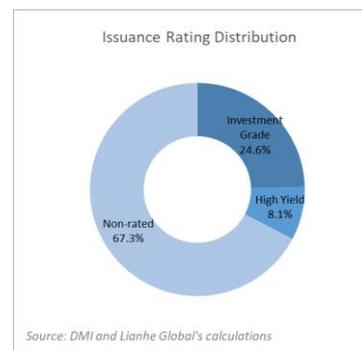
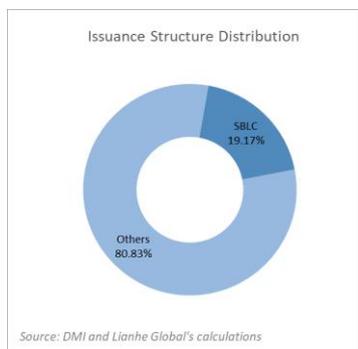
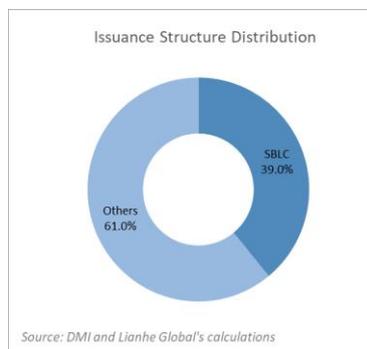


Exhibit 8: The Proportion of China LIDC Offshore USD Bond Issuance Backed by SBLC

2020:



2021:



10M2022:

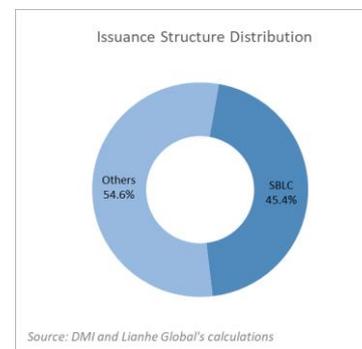
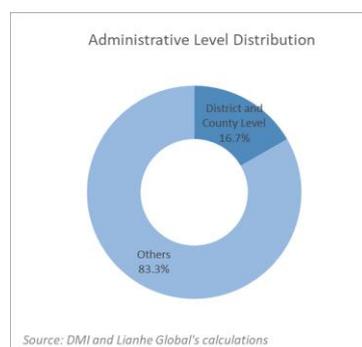
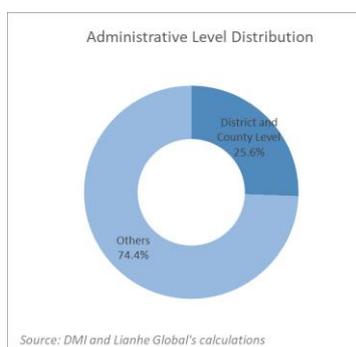


Exhibit 9: Administrative Level Distribution of China LIDC Offshore USD Bond Issuance

2020:



2021:



10M2022:

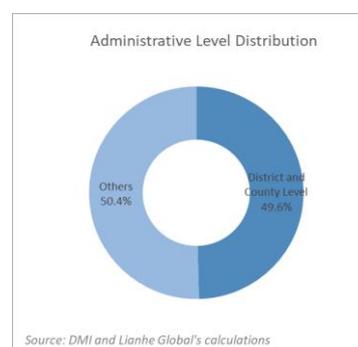
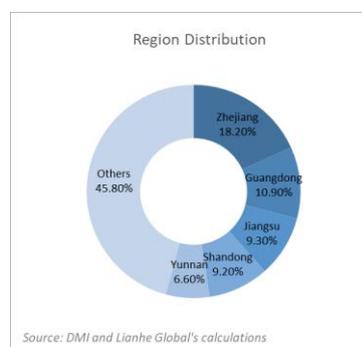
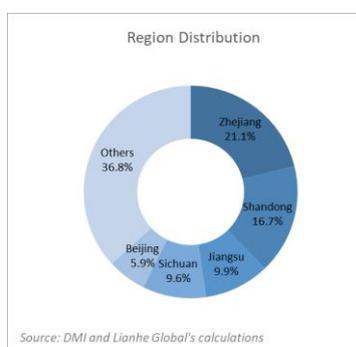


Exhibit 10: Region Distribution of China LIDC Offshore USD Bond Issuance

2020:



2021:

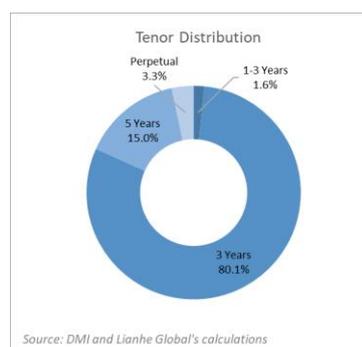


10M2022:

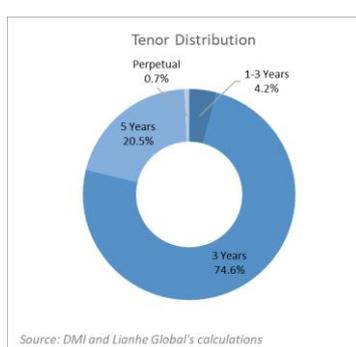


Exhibit 11: Tenor Distribution of China LIDC Offshore USD Bond Issuance

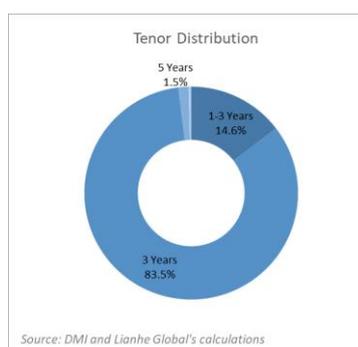
2020:



2021:



10M2022:



Heightened Pressure on Fiscal Conditions of Local Governments

Local governments faced heightened pressure on their budgetary finances generally in 2022, mainly due to the higher expense on epidemic prevention measures and the lower income due to tax refunds. The budgetary revenue dropped by 6.6% year-on-year to RMB15.32 trillion for the first nine months in 2022 (9M2022), while the budgetary expenditure rose 6.2% year-on-year to RMB19.04 trillion during the same period.

Also, the weak land transfer income, which was mainly due to the weakened property market, led to the decline of local government fund income in 9M2022. The revenue from government-managed fund dropped by 24.8% year-on-year to RMB4.59 trillion in 9M2022, of which the income from transfer of land use right decreased by 28.3% year-on-year to RMB3.85 trillion during the same period. Therefore, regions with higher reliance on government-managed fund and land transfer incomes were subject to higher pressure on their credit profiles. Moreover, some regions may revitalize their land market through the land purchase by LIDC which do not have active property development capacity. These activities may increase the land transfer income in these regions, but the local governments may return part of the income to LIDC through other forms of subsidy or capital injection.

Tight Regulatory Backdrop for LIDC Offshore Bond Financing

The Ministry of Finance (MoF) has classified the credit risk of local governments in accordance with the “Red, Orange, Yellow and Green” status since 2021, which constrained the access to bond financing channels for LIDC with high credit risks. Also, there were higher restrictions for the use of proceeds from onshore bond issuance for these LIDC. Consequently, some LIDC with weak administrative levels or credit profiles turned to offshore bond issuances for expanding their financing channels.

Also, the State Council and the MoF re-emphasized the importance of controlling the implicit debt and accelerating the special purpose bond issuance by local governments. Guangdong became the first province achieving the clearance of implicit debt in the first quarter of 2022. Beijing, Shanghai and Tibet were also carrying out pilot programs on resolving implicit debts. On the contrary, the MoF disclosed cases involving certain provinces and LIDC on raising new implicit debts illegally. On the other hand, the State Council extended the scope for the use of proceeds from the special purpose bond issuance, which aimed to boost its effectiveness in stimulating investment.

Outlook of LIDC Bond Issuance in 2023

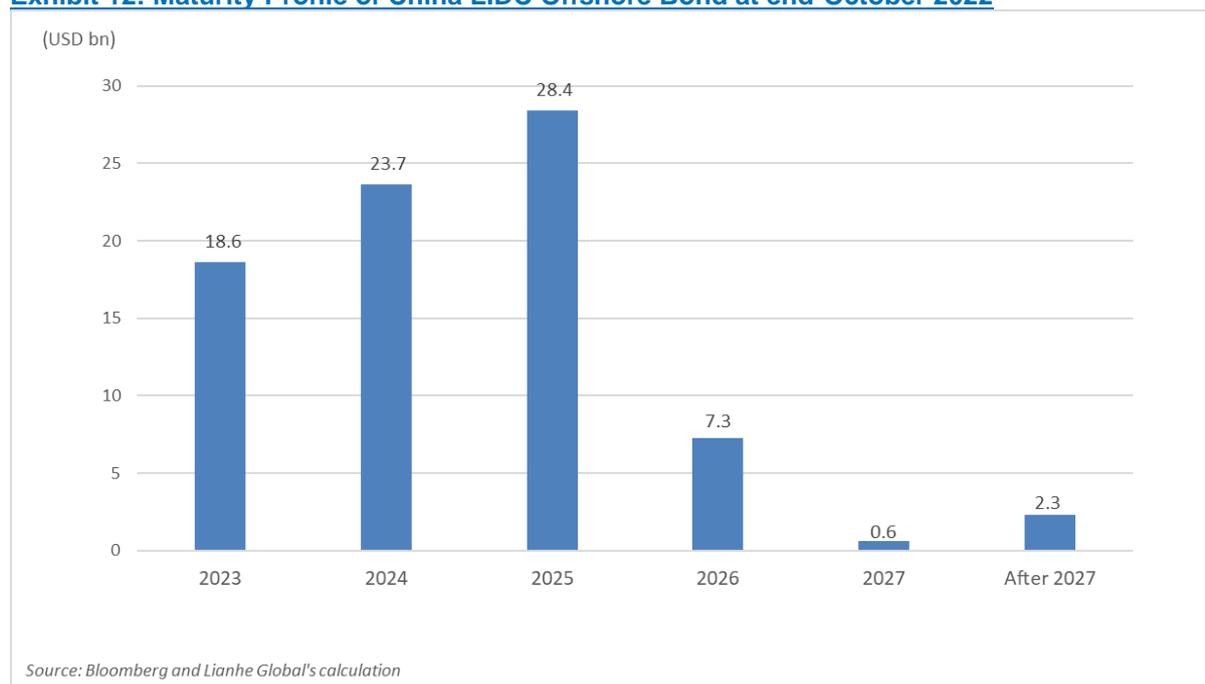
Refinancing Need Continues to Dominate LIDC New Issuance

We expect LIDC new issuance will continue to be supported by the refinancing needs in 2023. c. RMB18.6 billion of LIDC offshore USD bond will be matured in 2023 (EXHIBIT 12), which was equivalent to 80% of the LIDC new issuance in 10M2022. Furthermore, c. RMB70.7 billion of LIDC offshore USD bond will be matured in 2023-2025, which accounted for 84% of the total outstanding amount of LIDC offshore USD bond. Therefore, we expect LIDC refinancing needs will remain intact in 2023.

On the other hand, in view of the uncertainty and volatility of the economic growth outlook, we expect that a considerable quota of special purpose bond issuance (RMB3.65 trillion in 2022) will likely be granted to local governments in 2023, in order to stabilize the economy by maintaining and promoting infrastructure and other kinds of investment. Moreover, some of the bond issuance quota may possibly be allocated in advance.

The use of proceeds from special purpose bond issuance was broadened, but we expect the supervision of the use of proceeds will be maintained or even strengthened, which ensures the proceed will be used for boosting the investment and economy.

Exhibit 12: Maturity Profile of China LIDC Offshore Bond at end-October 2022



Continued Credit Polarization Between Regions and LIDC

We expect regions with high implicit debt, high debt ratio and/or low economic development level will continue to face the tight liquidity and high refinancing risk. Also, regions with higher proportion of government-managed fund to their aggregate revenue are exposed to heightened risk for their fiscal conditions. Overall, we expect the divergence in credit profiles between local governments and LIDC to continue or even intensify in 2023.

Regions with stronger fundamental economic and fiscal environments, such as Jiangsu, Zhejiang, Shandong, etc., may accelerate their debt growths, while weaker regions such as Liaoning, Heilongjiang, Shaanxi, etc., will probably have lower refinancing capability. In addition, provinces with moderate economic development may have higher debt growth compared with provinces in western China.

Provinces with low economic development and/or urbanization levels, such as Tibet, Guizhou, and Gansu, have high investment demand for infrastructure construction, and thus have strong incentive to stimulate investment through bond issuance. Nevertheless, the financing capability of these provinces may be hindered by their own economic and fiscal conditions, as well as their own debt levels.

Also, resolving implicit debt is a long-term process. Most of the local governments are working on lowering or even clampdown on implicit debts. We believe more policies will be introduced for this mission in 2023.

Importance on Function and Sustainability amid Consolidation and Financial Risks

Given the downtrend of the real estate industry and the tight liquidity of property developers, the financial capability of property developers to participate in land auctions was largely undermined. Most of the property developers were actually forced to withdraw from land

auctions. Instead, some LIDC may have higher participation in land auctions. Attention should be paid to LIDC with large amounts of land acquisitions and increasing involvement in property development business, especially if these activities are not directly related to the primary roles and strategic functions of the LIDC.

Given the business and financing advantages, we believe the policy role and importance of large-scale LIDC will continue to increase. We believe industry consolidation will continue with larger-scale LIDC integrating smaller-scale LIDC, and/or newly-established LIDC housing all LIDC in their respective regions. Therefore, the role and nature of LIDC business and sustainability of their projects are crucial to LIDC position. LIDC with lesser roles in core functions, lower visibility of government support and under sponsor governments at lower administrative levels will likely be under higher risk of being consolidated.

Also, attention should be paid to LIDC with high proportion of non-standard and/or bond financing to total debt, maturity concentration and/or short-term liquidity crunch. The credit risk of these LIDC will be heightened if they encounter difficulty in access to refinancing channels or their local governments are less willing to support them. Other considerations in financial aspect include cash collection period of projects, size and change of account receivable and payable, etc. On the other hand, the loan facility of local banks can also be an indicator of the financial resources of local governments.

C) Real Estate

Review of Real Estate Bond Issuance in 10M2022

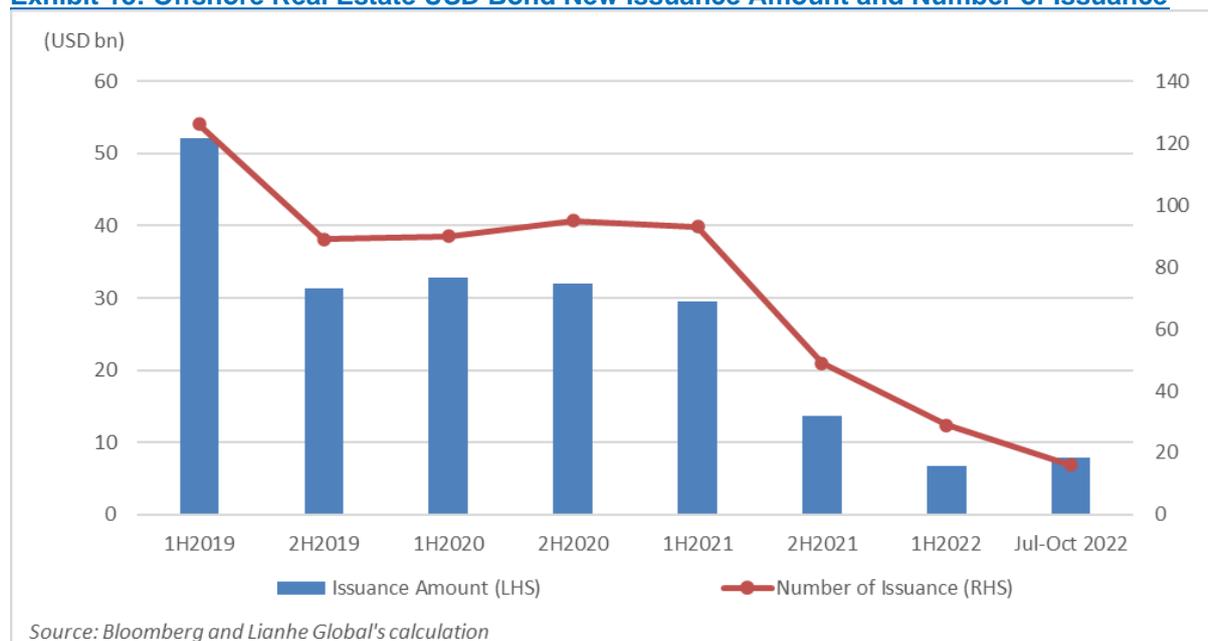
Sharp Decline in Real Estate Offshore USD New Issuance

The offshore USD bond new issuance by Chinese property developers remained weak by dropping significantly by 64.4% to USD14.6 billion in 10M2022, compared with USD41 billion during the same period in 2021 (EXHIBIT 13). There were 45 new issuances in 10M2022, down from 135 new issuances during the same period in 2021. Also, the real estate bond issuance contributed 15.6% only to the total offshore USD bond issuance in 10M2022, compared with 10.5% and 22.6% in 1H2022 and 2021, respectively.

Some successful exchange offers solicited by property developers led to a slight increase in new issuance amount starting from 2H2022. As a result, the new issuance amount reached RMB7.9 billion for the four months ended October in 2H2022, which was 17.6% higher than USD6.7 billion in 1H2022, but still 31.7% lowered than the same period in 2021.

Most of the property developers encountered heightened liquidity risk, as they suffered from the deteriorated cash inflow arising from weak contracted sales and narrowed onshore and offshore refinancing channels. An increasing number of property developers resorted to exchange offers or even defaulted on their maturing bonds. Moreover, the contagion risk spread to large-scale and IG property developers. The significant decline of bond prices in the secondary market caused by fragile investors' confidence and tight financing environment weakened the refinancing capability of these property developers. Overall, most of the property developers remained shut out from the offshore public bond market.

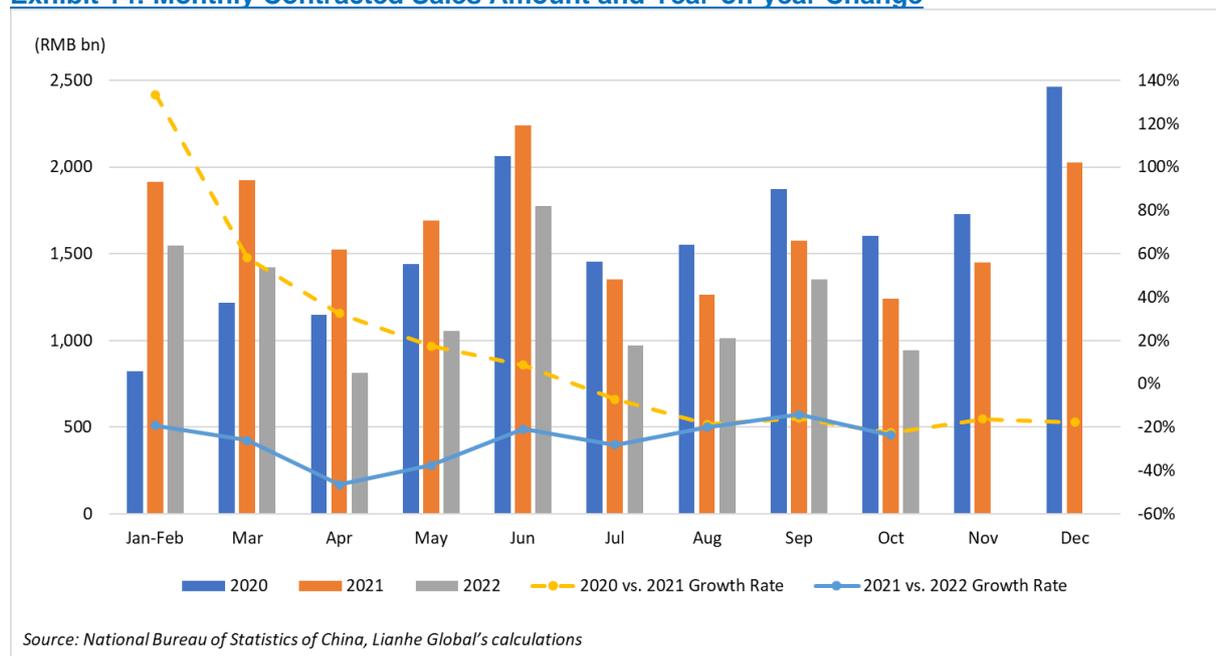
Exhibit 13: Offshore Real Estate USD Bond New Issuance Amount and Number of Issuance



Weak Contracted Sales in 10M2022

Contracted sales remained weak in 10M2022, due to the weak demand from homebuyers amid undermining expectation on property price and concern on property developers' capability of project delivery. According to the National Bureau of Statistics of China, the total contracted sales and GFA dropped by 26.1% and 22.3% year-on-year in 10M2022, respectively (EXHIBIT 14). Monthly contracted sales hit the bottom in April with a year-on-year decline of 46.6%, and remained weak with year-on-year decline of 14-28% between July and October.

Exhibit 14: Monthly Contracted Sales Amount and Year-on-year Change



Increasing Policy Support from the Central Government

The Chinese government has rolled out more supportive measures aiming to stabilize the property market and shore up liquidity of property developers, especially in the second half of 2022. In July, the Political Bureau of the Communist Party of China Central Committee announced the importance of ensuring the completion and delivery of property projects to homebuyers will be a top priority. In August, China Bond Insurance Co., Ltd. facilitated onshore bond issuance by eligible property developers through providing full financial guarantee to these bonds. In November, the National Association of Financial Market Institutional Investors announced a bond financing program with the size of RMB250 billion, which aimed to support the corporate bond issuance by property developers, including private enterprises. Also, the China Banking and Insurance Regulatory Commission (CBIRC) allowed eligible property developers to use up to 30% of their presales proceed, which would prioritize in project construction and project loan repayment.

Outlook of Real Estate Bond Issuance in 2023

Cautious on China Property Developer Industry despite Intensified Policy Support

Although more stabilizing measures were introduced in supporting both the real estate industry and property developers, especially in 2H2022, we are still concerned that the liquidity crunch will remain the major risk to property developers in 2023. If there is no significant improvement in liquidity and access to refinancing channels, some property developers will face heightened default risk when their exchange offers expire in 2023. The wide spread between bond yield and coupon rate, which was caused by the significant decline of bond price, undermined property developers' refinancing capability from bond financing. Also, property developers' weak EBITDA performance may undermine their interest coverage and repayment capabilities. In the long run, property developers' slowdown of construction progress and limited life span of land bank will limit their saleable resources and hinder their sustainable contracted sales recovery.

On the other hand, some property developers may be able to deleverage by lowering their total debts. However, we are concerned that the absence of refinancing alternatives may force property developers to repay their maturing debts by internal resources. In this case, the cash and liquidity position of these property developers are likely to deteriorate.

Considering the low base in 2022, we believe the year-on-year change in contracted sales will improve in 2023. However, we remain prudent if a meaningful contracted sales recovery will occur in 2023, which will hinge on the return of demand, sentiment and positive expectation on property price from homebuyers.

Overall, we remain cautious on the near-term credit outlook for the Chinese property developer industry. We expect property developers to still face repayment pressure in the near to medium term. We remain cautious on the liquidity and repayment capability of property developers until we see a meaningful recovery generated from rebound on contracted sales and/or improved access to financing channels.

D) Green and Sustainable Bonds

Review of Green and Sustainable Bond Issuance in 10M2022

The momentum of offshore green and sustainable bond issuance continued in 10M2022, despite a slowdown in issuance amount for the four months ended October in 2H2022. The offshore USD green and sustainable bond issuance amount reached USD18.1 billion with 48 issuances in 10M2022 (EXHIBIT 15), compared with USD18.4 billion and 52 issuances in 10M2021. The offshore USD green and sustainable bond issuance contributed 19.4% of the total offshore USD bond new issuance in 10M2022, compared with 11.1% in 10M2021 (EXHIBIT 16).

In order to be in line with the international green bond standard, unify the criterion of domestic green bond issuance and avoid greenwashing, China issued the China Green Bond Principles in July 2022. The principle required 100% of the proceed raised from the green bond issuance to be invested in green projects, compared with the previous requirement of 50-70% depending on different types of green bonds. Given the tightened regulations and the higher offshore financing costs, the offshore green and sustainable bond issuance experienced a slowdown for the four months ended October in 2H2022, following the rapid growth since 2020.

Exhibit 15: Offshore Green and Sustainable Bond New Issuance Amount

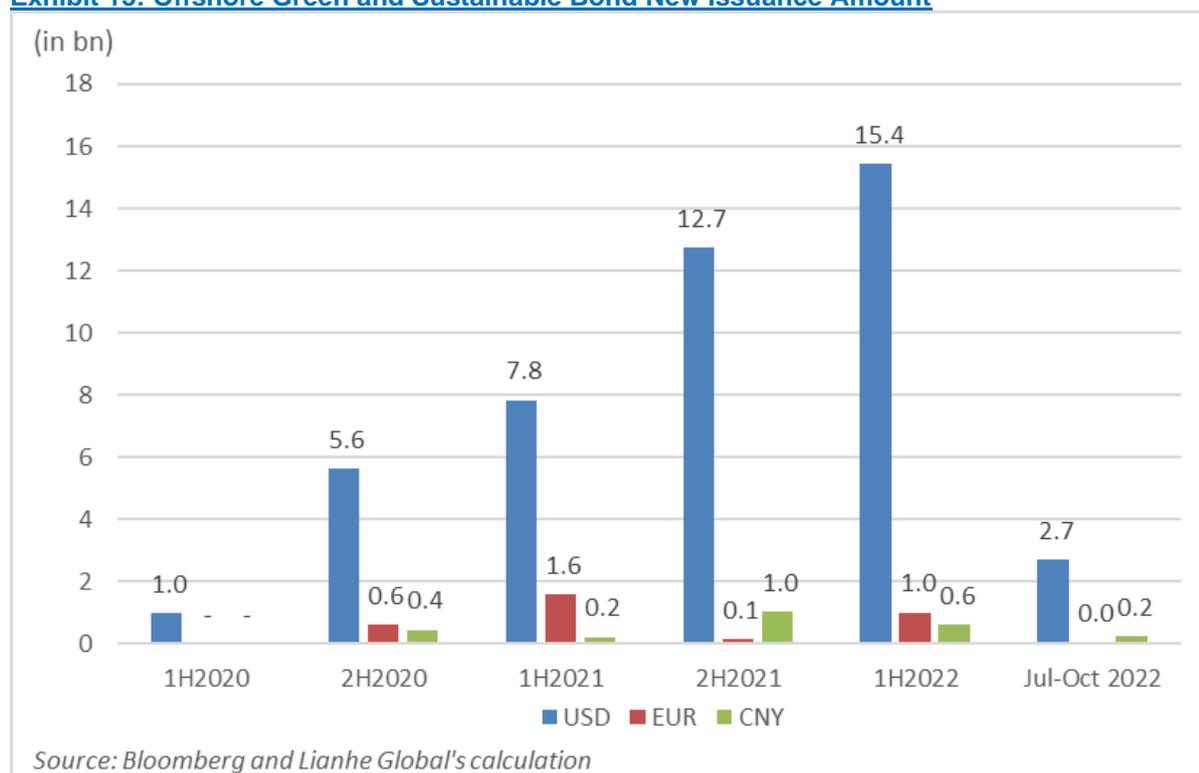
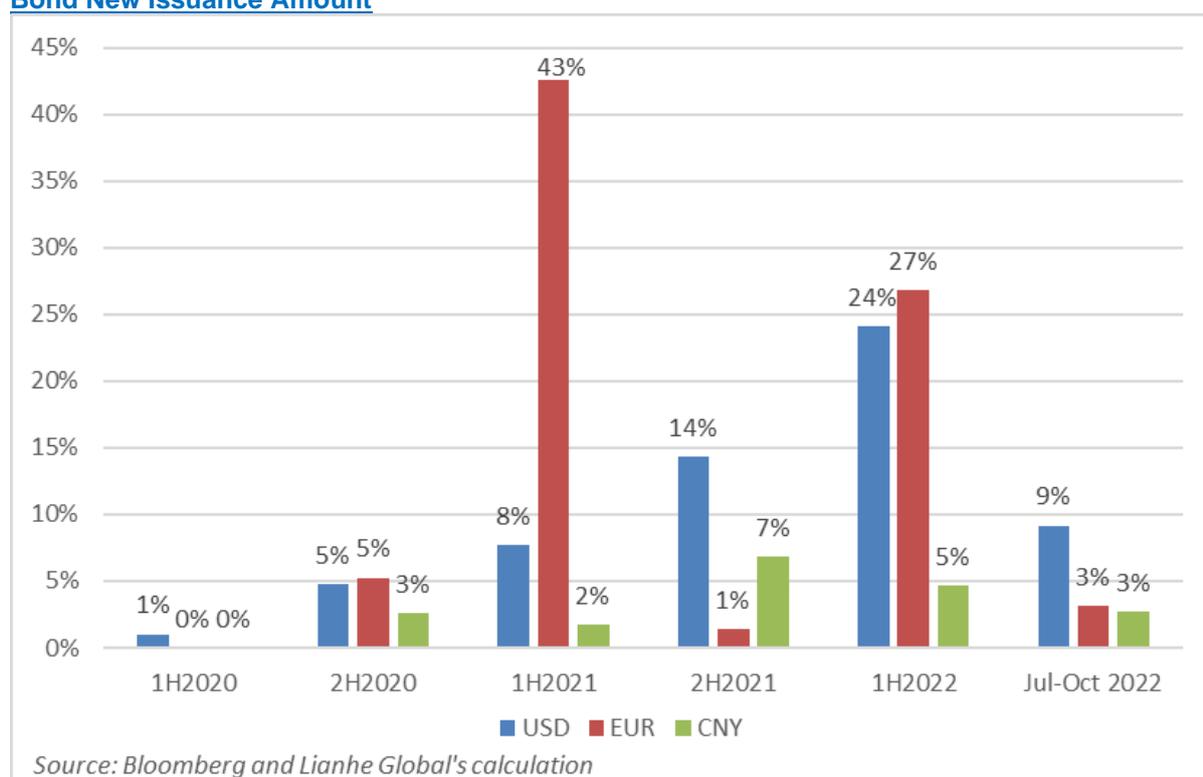


Exhibit 16: Proportion of Green and Sustainable Bond New Issuance Amount to Total Offshore Bond New Issuance Amount



Outlook of Green and Sustainable Bond Issuance in 2023

The HKSAR government set up various targets and policies regarding the promotion of green and sustainable bond markets in Hong Kong. In the next five years starting from the financial year 2021/22, the government aims to expand the government green bond issuance size by more than five times compared with the amount before 2021/22. On the other hand, the government facilitated corporate green and sustainable bond issuance by approving a subsidy of c. HKD150 million to over 160 green and sustainable debt instrument issuances in Hong Kong at end-October 2022. Also, the government proposed to launch a 3-year training pilot scheme, which provides subsidy to individuals who receive sustainable finance training and acquire relevant qualifications. The government earmarked HKD200 million for this scheme.

Also, the development of Hong Kong as a global offshore RMB debt financing platform would also support the green and sustainable bond issuance in Hong Kong. The People's Government of Hainan Province ("Hainan government") issued blue bonds and sustainability bonds in Hong Kong in October 2022. The Hainan government issued offshore RMB bonds not exceeding RMB5 billion, including blue bonds which the proceed will mainly be used for maritime economy and marine protection projects, and sustainability bonds with the maturity of 3 years and 5 years. Also, the Shenzhen Municipal People's Government ("Shenzhen government") issued green bonds, blue bonds and sustainability bonds in Hong Kong in November 2022. The Shenzhen government issued offshore RMB green bonds and blue bonds not exceeding RMB5 billion, including the maturity of 2 years, 3 years and 5 years.

Appendix

List of Lianhe Global's Publicly Rated LIDC

Issuer Name	Province/City	Issuer Rating /Outlook
Chengdu Airport Xingcheng Investment Group Co., Ltd.	Chengdu	BBB/Positive
Chengdu Chenghua Development Group Co., Ltd.	Chengdu	BBB+/Stable
Chengdu Dujiangyan Investment Development Group Co., Ltd.	Chengdu	BBB-/Stable
Chengdu Jinniu Guotou Urban Operation and Management Co., Ltd.	Chengdu	BBB-/Stable
Chengdu Wenjiang Xingrongxi City Operation Group Co., Ltd.	Chengdu	BBB-/Stable
Chengdu Xinjin City Industry Development Group Company Ltd.	Chengdu	BBB-/Stable
Dalian Deta Holding Co., Ltd.	Dalian	BBB+/Stable
Fujian Zhanglong Group Co., Ltd.	Zhangzhou	BBB+/Stable
Hangzhou Linjiang Investment Development Co., Ltd.	Hangzhou	BBB+/Stable
Huai'an Traffic Holding Company Limited	Huai'an	BBB/Stable
Jiangsu Huajing Assets Management Co., Ltd.	Taizhou	BBB/Stable
Jingjiang Port Group Co., Ltd.	Taizhou	BBB-/Stable
Liangshan Development (Holdings) Group Co., Ltd.	Liangshan	BBB-/Stable
Nanxun Communications Investment Group Co., Ltd.	Huzhou	BBB-/Stable
Qingdao City Construction Investment (Group) Limited	Qingdao	A/Stable
Shandong Hejian State-owned Capital Investment Co., Ltd.	Heze	BBB/Stable
Shaoxing City Investment Group Limited	Shaoxing	A-/Stable
Shuifa Group Co., Ltd.	Shandong	A/Stable
Taizhou Hailing City Development Group Co., Ltd.	Taizhou	BBB-/Stable
Taizhou Huaxin Pharmaceutical Investment Co., Ltd.	Taizhou	BBB-/Stable
Tianjin Binhai New Area Construction and Investment Group Co., Ltd.	Tianjin	A-/Stable
Tonglu Newtown Development Investment Co., Ltd.	Hangzhou	BBB-/Stable
Wuxi Construction and Development Investment Corporation Limited	Wuxi	A/Stable
Yancheng High-tech Zone Investment Group Corporation Limited	Yancheng	BBB-/Positive
Yangzhou Economic and Technological Development Zone Development (Group) Co., Ltd.	Yangzhou	BBB+/Stable
Yangzhou Jianghuai Construction Development Co., Ltd.	Yangzhou	BBB/Stable
Yunnan Provincial Energy Investment Group Co., Ltd.	Yunnan	A-/Stable
Zhangzhou Jiulongjiang Group Co., Ltd.	Zhangzhou	BBB+/Stable
Zhengzhou Urban Construction Investment Group Co., Ltd.	Zhengzhou	A-/Stable
Zhongyuan Asset Management Co., Ltd.	Henan	A-/Stable

Source: Lianhe Global

List of Lianhe Global's Publicly Rated Chinese Property Developers

Issuer Name	Long-term Issuer Credit Rating	Outlook
Huijing Holdings Company Limited	CCC+	Negative
Jinke Property Group Co., Ltd.	CCC-	Negative
LVGEM (China) Real Estate Investment Company Limited	BB-	Stable

Source: Lianhe Global

List of Lianhe Global's Publicly Rated Corporates and Non-Banking Financial Institution (NBFI)

Issuer Name	Long-term Issuer Credit Rating	Outlook
China Hongqiao Group Limited	BB+	Positive
Jiangsu Shagang Group	BBB+	Positive
Pujiang International Group Limited	BB-	RWN
XMXYG Corporation	BBB+	Positive

Source: Lianhe Global

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