

Lianhe Global: Fujian Yango Group Co., Ltd.’s Long-term Issuance Credit Rating Unaffected by the Proposed USD Notes Tap Issuance

HONG KONG, 16 December 2019 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, says Fujian Yango Group Co., Ltd.’s (“Fujian Yango”; ‘BB-’/Stable) proposed tap issuance of its USD222 million 12.5% senior notes due 2021 will not affect the ‘BB-’ rating on the notes.

The proposed tap issuance (by Fujian Yango’s indirect wholly-owned subsidiary Yango (Cayman) Investment Limited, which is unconditionally and irrevocably guaranteed by Fujian Yango) will carry the same terms and conditions as the existing USD notes and is rated at the same level as Fujian Yango’s global scale Long-term Issuer Credit Rating of ‘BB-’ because they constitute Fujian Yango’s unsubordinated and unsecured obligations.

Fujian Yango’s rating reflects Fujian Yango’s leading market position and brand recognition in the Chinese property market operated by its main subsidiary Yango Group Company Limited (“Yango”, ‘BB-’/Stable), high financial leverage and moderately weak profitability. The rating also considers Fujian Yango’s standalone moderate liquidity with significant indebtedness.

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 this Fujian Yango’s rating is Lianhe Global’s General Corporate Rating Criteria published on 16 July 2018, which can be found at the website 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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