

CCXAP downgrades Fantasia Holding Group Co., Limited to C_g on missed debt payment

Hong Kong, 5 October 2021 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has downgraded the long-term credit rating of Fantasia Holding Group Co., Limited (“Fantasia” or the “Company”) to C_g from BB_g-.

The rating downgrade of Fantasia follows the Company’s missed payment on its outstanding offshore senior notes of approximately USD205.7 million due on 4 October 2021.

Corporate Profile

Fantasia (Stock code: 1777.HK) was incorporated in 1998 and has been listed in Hong Kong Stock Exchange (“HKEX”) since 2009. Headquartered in Shenzhen, Fantasia is mainly engaged in property development and management services. It had a land bank of 11.9 million sqm in gross floor areas (“GFA”) at mid-2021, with approximately 76% of its land bank deriving from Southwest China, South China and East China. As of 30 June 2021, Ms. Zeng Jie Baby, the founder and ultimate controlling shareholder of the Company, held 57.43% of the Company’s share interest through Ice Apex Limited.

Rating Rationale

The C_g long-term credit rating of Fantasia reflects its limited debt servicing abilities. On 4 October 2021, Fantasia announced that it has missed the payment of its senior notes with outstanding principal amount of approximately USD205.7 million. The nonpayment has indicated its significantly worsened liquidity. It could trigger cross defaults and accelerate repayments of Fantasia’s other offshore and onshore bonds. As of today, Fantasia has outstanding onshore bonds of approximately RMB6.4 billion and other offshore notes of approximately USD3.6 billion.

Rating Sensitivities

What could upgrade the rating?

The rating could be upgraded if the Company is able to deliver a feasible plan for debt repayments with the approval by creditors, and its access to capital shows a signal of recovering.

What could downgrade the rating?

The rating could be downgraded if the Company is in bankruptcy or liquidation.

Regulatory Methodology

The methodology used in this rating is the Rating Methodology for [Real Estate Development Industry \(December 2019\)](#).



Regulatory Disclosures

CCXAP's Rating Symbols and Definitions are available on its website at:

http://www.ccxap.com/en/rating_services/category/6/

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