

Sino-Ocean Group Holding Limited's ratings unaffected by proposed tap issuance

Hong Kong, 27 January 2022 -- China Chengxin (Asia Pacific) Credit Ratings ("CCXAP") says Sino-Ocean Group Holding Limited's ("Sino-Ocean" or the "Company") (BBB_g+/Stable) proposed tap issuance on its existing USD320 million 2.70% senior green notes due 2025 will not affect the BBB_g+ rating on the notes. The notes are issued by Sino-Ocean Land Treasure IV Limited (the "Issuer"), a wholly-owned subsidiary of Sino-Ocean, and unconditionally and irrevocably guaranteed by Sino-Ocean.

The BBB_g+ senior unsecured debt rating of the notes reflects the unconditional and irrevocable guarantee from Sino-Ocean and that the notes constitute unsecured and unsubordinated obligations of Sino-Ocean. The proposed tap issuance will carry the same terms and conditions as the existing notes. Net proceeds from the tap issuance will be used for repaying existing medium and long-term external indebtedness due within one year and in accordance with the Company's Green Finance Framework.

The BBB_g+ long-term credit rating of Sino-Ocean is underpinned by the Company's (1) sufficient and high-quality land bank; (2) adequate liquidity position; and (3) strong shareholder support from China Life. However, the rating is constrained by the Company's (1) moderate contracted sales growth; and (2) relatively weak profitability and revenue growth.

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:

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CCXAP's public ratings are available at www.ccxap.com (Rating Results) and may be distributed through media and other means.

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