



Zhongliang Holdings Group Company Limited

中梁控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2772)

Zhongliang Holdings Assigned “B+” Rating by Fitch and S&P, and “B1” Rating by Moody's, with Stable Outlook

(8 August, 2019 – Hong Kong) **Zhongliang Holdings Group Company Limited** (“Zhongliang Holdings”, or the “Company”; Stock Code: 2772) announces, the Company has been assigned B+, B1 and B+ issuer ratings with “Stable” Outlook, from three international rating agencies, namely Fitch, Moody’s and Standard and Poor’s, respectively, on 8 August 2019.

Moody’s believes that B1 reflects Zhongliang Holdings’s strong brand name among the second and lower tier cities of the Yangtze River Delta region and its contracted sales record is good. In 2018, Zhongliang Holdings’ contracted sales in the Yangtze River Delta region accounted for 59.4% of the total sales, where there is good demand for residential properties. Zhongliang Holdings’ liquidity position is also solid. The cash balance at the end of 2018 was RMB23.1 billion, which was 1.6 times its short-term debt. Looking ahead, Moody’s expects Zhongliang Holdings’ contracted sales will increase by 10%-15% per annum to reach around RMB120-140 billion in 12-18 months, while its revenue and cash flow will witness a growth for the same period.

Standard & Poor’s says that Zhongliang Holdings has excellent sales records in the Yangtze River Delta region, exhibiting strong sales execution and cash collection with well-managed liquidity position. Zhongliang Holdings will continue to grow its contracted sales and revenue, and improve its funding channels and costs while maintaining stable leverage in the next 12 months. In addition, Standard & Poor’s anticipates better banking relationships and access to more diverse funding following the listing.

Fitch considers that Zhongliang Holdings’ ratings are underpinned by its contracted sales scale, comparable “BB” category homebuilders. Zhongliang Holdings’ 353 projects spread across five core economic regions in China, which also helps to mitigate its potential regional economic and policy risks. The rapid expansion of Zhongliang Holdings from 2015 to 2018 depends on its standardization of its entire property development chain. Zhongliang Holdings has also become one of the top 20 real estate developers in China.

Mr. Yang, the Chairman of Zhongliang Holdings Group Company Limited comments, the Company is satisfied with the ratings results by three international rating agencies, which may further strengthen investors’ confidence in Zhongliang Holdings. In the years ahead, with a keen focus on property development, the Company will seize opportunities for business expansion, in order to reward shareholders and investors with better profits.

About Zhongliang Holdings Group Company Limited

Headquartered in Shanghai, based in the Yangtze River Delta Economic Region with a national footprint, Zhongliang Holdings is a fast - growing comprehensive nationwide real estate developer with 100 billion contracted sales. In 2019, we are recognized as TOP 20 real estate developer in China and ranked TOP 1 in terms of development potential by China Real Estate Association and E-house China R&D Institute China Real Estate Appraisal Center. We focus on the development of residential properties and have recently started to develop, operate and manage commercial properties.

We offer three standardized product series, namely, the Shanti, the Glory and the Royal series (「香」系列、「御」系列及「國」系列), targeting first-time purchasers, first-time upgraders and second-time upgraders. By virtue of approximately 19 years of experience in China's real estate industry and regional expansion strategy, we have total attributable land bank of about 38.9 million sq.m as at 30 April 2019. By the end of March 2019, we have a product portfolio of 353 projects across five core economic zones in China, namely, Yangtze River Delta, the Midwest China, the Pan-Bohai, the Western Taiwan Straits and the Pearl River Delta, covering 124 cities in 23 provinces and municipalities.

This press release is issued by **Wonderful Sky Financial Group Ltd.** on behalf of **Zhongliang Holdings Group Company Limited**.

For further information, please contact:

Wonderful Sky Financial Group Company Ltd.

Leon Sui/Cruny Cao

Tel: 3970 2170/ 3970 2172

Email: leonsuil@wsfg.hk / crunycaor@wsfg.hk