

CMBI Credit Commentary

1H2021 “Three Red Lines” Update

While funding condition will likely remain tight for property developers in the near future, selective developers have made progress in 3 Red Lines measures.

They are

- **AGILE and KAISAG** improved to Green camp from Yellow
- **SINHLD** improved to Yellow camp from Orange
- **EVERRE and GRNLGR** improved to Orange camp from Red

As of 1H2021, 11 developers are in Green camp, 20 in Yellow, 2 in Orange and 1 in Red, out of 32 developers we track.

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Name	Issuer	Net Gearing	Adj. Liabilities to Assets Ratio	Unrestricted Cash / ST Debts	Three-Red-Line As of 1H21	Three-Red-Line As of 2020	Three-Red-Line As of 2019
Agile Group	AGILE	45.3%	68.8%	1.2x	Green	Yellow	Orange
China SCE Group	CHINSC	78.5%	69.5%	1.2x	Green	Green	Yellow
Dafa Properties	DAFAPG	56.5%	69.0%	1.0x	Green	Green	Yellow
Kaisa Group	KAISAG	94.1%	69.6%	1.7x	Green	Yellow	Orange
Logan Group	LOGPH	60.7%	69.0%	1.9x	Green	Green	Yellow
Jiayuan International	JIAYUA	40.7%	62.1%	1.3x	Green	Green	Yellow
Powerlong Real Estate	PWRLNG	77.8%	70.0%	1.1x	Green	Green	Yellow
Radiance Group	JNHUIG	75.9%	68.3%	1.1x	Green	Green	Yellow
Redsun Properties	REDSUN	58.7%	69.4%	1.4x	Green	Green	Yellow
Ronshine China	RONXIN	75.5%	69.7%	1.1x	Green	Green	Yellow
Shimao Group	SHIMAO	55.5%	68.3%	1.7x	Green	Green	Yellow
Central China Real Estate	CENCHI	99.2%	87.2%	1.3x	Yellow	Yellow	Yellow
China Aoyuan	CAPG	82.2%	78.9%	1.2x	Yellow	Yellow	Yellow
CIFI Group	CIFIHG	64.0%	72.1%	2.7x	Yellow	Yellow	Yellow
Country Garden	COGARD	49.7%	78.5%	1.9x	Yellow	Yellow	Yellow
Dexin China	DEXICN	72.5%	73.6%	1.3x	Yellow	Yellow	Yellow
Fantasia	FTHDGR	78.0%	72.4%	1.4x	Yellow	Yellow	Yellow
Greentown China	GRNCH	75.5%	73.5%	2.0x	Yellow	Yellow	Yellow
Jingrui	JINGRU	82.5%	80.1%	1.3x	Yellow	Yellow	Yellow
KWG Group	KWGPRO	53.8%	71.8%	1.8x	Yellow	Yellow	Yellow
Modern Land	MOLAND	93.0%	83.0%	1.5x	Yellow	Yellow	Yellow
Redco Group	REDPRO	51.1%	77.7%	1.3x	Yellow	Yellow	Yellow
Risesun Development	RISSUN	66.5%	71.9%	1.0x	Yellow	Yellow	Orange
Seazen Group	FUTLAN	66.0%	76.9%	1.3x	Yellow	Yellow	Yellow
Sinic Holdings	SINHLD	50.6%	73.5%	1.0x	Yellow	Orange	Yellow
Sunac China	SUNAC	86.6%	76.5%	1.1x	Yellow	Yellow	Red
Yango Group	SUNSHI	94.0%	78.8%	1.3x	Yellow	Yellow	Orange
Times China	TPHL	76.7%	76.6%	1.9x	Yellow	Yellow	Yellow
Yuzhou Group	YUZHOU	80.4%	74.0%	1.4x	Yellow	Yellow	Yellow
Zhongliang Holdings	ZHLGHD	56.6%	79.3%	1.2x	Yellow	Yellow	Orange
Zhenro Properties	ZHPRHK	57.4%	72.4%	1.7x	Yellow	Yellow	Yellow
China Evergrande Group	EVERRE	99.8%	81.0%	0.4x	Orange	Red	Red
Greenland Holdings	GRNLGR	116.7%	82.8%	1.0x	Orange	Red	Red
Guangzhou R&F	GZRFPF	129.0%	74.9%	0.2x	Red	Red	Red

Note:

Perpetual capital securities are treated as equity

Pledged deposits are included in unrestricted cash as they are pledged against debts

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