

[For Immediate Release]



Fitch affirms CIFI's 'BB' rating and outlook stable; removes CIFI from UCO list

(28 January 2022 – Hong Kong) **CIFI Holdings (Group) Co. Ltd.** ("CIFI" or the "Group", HKEx stock code: 884), a leading real estate developer and investor in first-, second- and robust third-tier cities in China, is pleased that Fitch Ratings has issued a report to affirm CIFI's long-term foreign and local -currency issuer default ratings at 'BB'; the Outlook is 'Stable'. In addition, CIFI has been removed all the ratings from Under Criteria Observation (UCO) by Fitch Ratings.

Fitch's report points out that CIFI's business and financial profiles remain commensurate with a 'BB' credit profile. Fitch believes CIFI's above-average financial flexibility is supportive of the rating despite its higher leverage of 50% compared with peers' 40-45%.

The Stable Outlook reflects Fitch's belief that CIFI has strong liquidity and continued access to capital-market financing in both onshore and offshore markets to refinance its maturities in 2022. Fitch believes CIFI's leverage to fall to 45%-50% in 2022-2023 from an estimate of around 50% in 2021 due to a slowdown in land acquisition and a continued ramp-up of its investment properties.

Fitch also believes CIFI's quality land bank, with more than 85% in tier 1-2 cities, will make it more resilient in the downturn and can sustain two-three years of development and a sales scale above RMB 220 billion in 2022-2023.

Mr. Lin Zhong, Chairman of CIFI, said "We welcome Fitch to affirms our rating which is the capital market's recognition of our business development and financial strength. The management flexibly deploy our capital to proactively manage the Group's debt structure and portfolio. We strive to enhance our capability to withstand the risks of both the industry and the economic cycle. All these efforts can ensure the Group's healthy financial position and sustainable business development in the long term."

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About CIFI (Group):

Headquartered in Shanghai, CIFI is one of China's top real estate developers. CIFI principally focuses on developing high-quality properties in first-, second- and robust third-tier cities in China. CIFI develops various types of properties, including residential buildings, offices and commercial complexes.

To learn more about the Company, please visit CIFI's website at: <http://www.cifi.com.cn>

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