

Yango's "2020 Green Bond Report"

In order to further implement the concept of "Green Smart Home" and promote the company strategy of "setting the benchmark for quality", Yango formulated the Green Bond Framework in October 2020, and carried out, in whole or in part, the financing or refinancing for the eligible green assets under the Framework. Sustainalytics, an independent third-party rating agency, has granted the green certification on the Framework and issued a recommendation stating that "Yango's Green Finance Framework is 'credible and effective', and is aligned with the core components of the Green Bond Principles 2018 and the Green Loan Principles 2020.

In November 2020, Yango priced a USD270 million 4.25-year offshore green bond at a coupon of 7.5%. The orderbook peaked over USD2.7 billion, oversubscribed over 10x. The pricing is finally significantly tightened by 50bps from the initial pricing guidance and 5bps inside the fair price to achieve a negative issue premium. The financing cost of this USD bond is the lowest among the rated comparables.

Through the issuance of the long-dated USD bonds, Yango has successfully extended the yield curve in the offshore USD bond market. For this issuance, a total of 130 accounts, mainly from countries/regions including Hong Kong, Taiwan, Singapore, Switzerland, United Kingdom, Germany and others, have placed the orders during the peak of the bookbuilding. This is Yango's debut green bond issued in the offshore market, marking our phased achievements in promoting the development of green industries and achieving sustainable growth.

Looking forward, Yango will continue to implement the concept of "Green Sustainable Development". By issuing green bonds, we manage to invest in eligible green building projects, improve the energy and resource utilization, actively promote the pollution prevention and control and sustainable water management. We are committed to solidifying the service and quality to bring a green smart boutique home which is healthier and smarter with a sense of belongings to the society.

The net proceeds of the green bond issuance will be deposited in the general account and earmarked for allocation to the eligible green projects. As at 1 March 2021, Yango has allocated all proceeds from the green bond to eligible projects.

Yango's Willow Green Bond

| | |
|-------------|-----------------------|
| Issuer: | Yango Group Co., Ltd. |
| Issue date: | 17 November 2020 |
| Currency: | USD |
| Tenor: | 4.25 years |
| Size: | 270 million |
| Maturity: | 17 February 2025 |
| Coupon: | 7.50% |
| ISIN: | XS2248032653 |

Yango's Green Bond Report

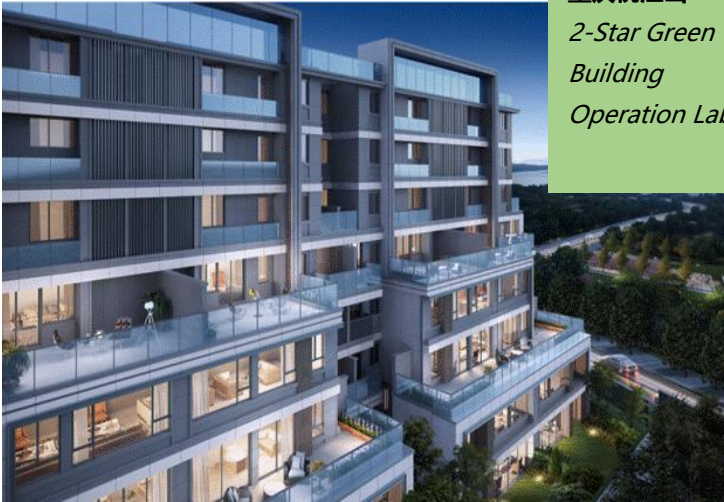
Allocation Report (As at 1 March 2021)

Below is the list of eligible green projects categories and amount of proceeds allocated:

| Project Name | Green Certification | Amount allocated (USD) |
|---|-----------------------|------------------------|
| USD1 = RMB6.50 | | |
| River Land 阳光城悦江山 | 2-Star Green Building | 162,000,000.00 |
| Tianjin Haihe Education Winner Land Mansion 天津海河教育园文澜府 | 2-Star Green Building | 70,000,000.00 |
| Xian Yango Winner Land Mansion 西安阳光城文澜府 | 2-Star Green Building | 23,000,000.00 |
| Nanjing Winner Land Mansion 南京文澜府 | 2-Star Green Building | 15,000,000.00 |
| Total | | 270,000,000.00 |

Yango's Green Bond Report

Examples



River Land
重庆悦江山
*2-Star Green
Building
Operation Label*

- Environmental-friendly decoration
- Fresh air and haze removal system
- Water purification system
- Sponge community
- Intelligent system
- Sound insulation and noise reduction
- Daylight planning
- Green development



Tianjin Haihe
**Education Winner
Land Mansion**
天津海河教育文澜府
*2-Star Green
Building
Operation Label*

- Water purification system
- High-performance doors and windows
- Sponge community
- Intelligent system
- Green development
- Sound insulation and noise reduction
- Environmental-friendly building materials