

Lianhe Global: XMYG Corporation's Long-term Issuance Credit Rating Unaffected by the Proposed USD Bonds Tap Issuance

HONG KONG, 12 January 2023 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, says XMYG Corporation’s (“XMYG”, ‘BBB+/Positive’) proposed tap issuance of its USD300 million 5.7% senior unsecured USD bonds due 2025 will not affect the ‘BBB+’ rating on the bonds.

The proposed tap issuance (by XMYG’s wholly-owned subsidiary Hongkong Xiangyu Investment Co., Limited, which is unconditionally and irrevocably guaranteed by XMYG) will carry the same terms and conditions as the existing USD bonds and is rated at the same level as XMYG’s global scale Long-term Issuer Credit Rating of ‘BBB+’ as they constitute XMYG’s unsecured and unsubordinated obligations.

XMYG’s Issuer Credit Rating reflects XMYG’s leading market position in comprehensive supply chain management industry and track record of revenue growth, supported by its established nationwide logistics network and the strengthening of its comprehensive service capability. Moreover, XMYG has proven track record of strong external support from Xiamen government. However, the rating is constrained by XMYG’s high financial leverage and low profit margin.

About Lianhe Global

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local investment and development companies, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

Rating Methodology

The principal methodology used in this XMYG’s rating is Lianhe Global’s General Corporate Rating Criteria published on 31 December 2021 and its addendum published on 30 August 2022, which can be found at the website www.lhratingsglobal.com.

Note: The above Issuer/Issuance Credit Ratings are solicited at the request of the rated entity or a related third party.

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