

**Lianhe Global has affirmed ‘BBB-’ global scale Long-term Issuer Credit Rating of Chengdu Wenjiang Xingrongxi City Operation Group Co., Ltd.; Issuer Rating Outlook Stable**

HONG KONG, 1 March 2023 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB-’ global scale Long-term Issuer Credit Rating of Chengdu Wenjiang Xingrongxi City Operation Group Co., Ltd. (“WXCO”). The Outlook is Stable.

**Key Rating Rationales**

The Issuer Credit Rating reflects a high possibility that the Wenjiang District People’s Government of Chengdu (“Wenjiang government”) would provide strong support to WXCO if needed, in light of its 100% ownership of WXCO, WXCO’s strategic position as the major development and operation entity of the Wenjiang District in Chengdu City and the strong linkage between the Wenjiang government and WXCO, including management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Wenjiang government may face significant negative impact on its reputation and business and financing activities should WXCO encounter any operational or financial difficulties.

The Stable Outlook reflects our expectation that WXCO strategic importance would remain intact while the Wenjiang government will continue to ensure WXCO’s stable operation.

**Rating Sensitivities**

We would consider downgrading WXCO’s rating if (1) there is perceived weakening in support from the Wenjiang government, particularly due to its reduced strategic importance with diminished government functions, or (2) there is a significant reduction of the Wenjiang government’s ownership of WXCO, or (3) there is a downgrade in our internal credit assessment on the Wenjiang government.

We would consider upgrading WXCO’s rating if (1) there is strengthened support from the Wenjiang government, or (2) there is an upgrade in our internal credit assessment on the Wenjiang government.

**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 WXCO's rating is Lianhe Global's China Local Investment and Development Companies Criteria published on 5 December 2022, which can be found at the website [www.lhratingsglobal.com](http://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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