

**Lianhe Global has affirmed ‘BBB+’ global scale Long-term Issuer Credit Rating with Stable Outlook to Zhangzhou Jiulongjiang Group Co., Ltd.**

HONG KONG, 1 September 2023 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB+’ global scale Long-term Issuer Credit Rating of Zhangzhou Jiulongjiang Group Co., Ltd. (“Jiulongjiang Group”). The Outlook is Stable.

**Key Rating Rationales**

The Issuer Credit Rating reflects a high possibility that the People’s Government of Zhangzhou City (“Zhangzhou government”) would provide strong support to Jiulongjiang Group if needed, in light of its 90% ownership of Jiulongjiang Group, Jiulongjiang Group’s strategic position as the major state-owned capital investment and operation entity of Zhangzhou and the strong linkage between the Zhangzhou government and Jiulongjiang Group including management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Zhangzhou government may face significant negative impact on its reputation, business and financing activities should Jiulongjiang Group encounter any operational or financial difficulties.

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

**Rating Sensitivities**

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

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