

## **Lianhe Global has assigned ‘BBB’ global scale Long-term Issuance Credit Rating to Jiangsu Huajing Assets Management Co., Ltd.’s proposed CNY notes**

HONG KONG, 18 October 2023 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘BBB’ global scale Long-term Issuance Credit Rating to the senior unsecured CNY notes (“the Notes”) to be issued by Jiangsu Huajing Assets Management Co., Ltd. (“JHAM”; ‘BBB’/Stable).

JHAM intends to use the net proceeds from this offering for procurement of food trading business and replenishment of working capital.

### **Key Rating Rationales**

The Notes are rated at the same level as JHAM’s global scale Long-term Issuer Credit Rating of ‘BBB’ as the Notes constitute direct, unsubordinated, unconditional and unsecured obligations of JHAM. The payment obligations of JHAM under the Notes shall at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The Issuer Credit Rating reflects a high possibility that the People’s Government of Jingjiang (“the Jingjiang government”) would provide strong support to JHAM if needed, in light of its 100% ownership of JHAM, JHAM’s strategic importance as a major state-owned entity that is responsible for primary land development and city operation in Jingjiang, and the strong linkage between the Jingjiang government and JHAM, including control of the board of directors, management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Jingjiang government may face significant negative impact on its reputation and financing activities should JHAM encounters any operational and financial difficulties.

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

### **Rating Sensitivities**

Any rating action on JHAM’s rating would result in a similar rating action on the Notes.

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

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