

Lianhe Global has affirmed ‘BBB’ global scale Long-term Issuer and Issuance Credit Rating of Jiangsu Huajing Assets Management Co., Ltd.; Issuer Rating Outlook Stable

HONG KONG, 4 December 2023 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Jiangsu Huajing Assets Management Co., Ltd. (“JHAM”). The Outlook is Stable.

Lianhe Global has also affirmed ‘BBB’ global scale Long-term Issuance Credit Rating of the senior unsecured CNY notes issued by JHAM at the same time. A full list of affirmed issuance rating is included in this press release.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People’s Government of Jingjiang (“Jingjiang government”) would provide strong support to JHAM if needed, in light of its indirect 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 City (“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 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

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.

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

Full List of Issuance Rating

- CNY 450 million 4.5% senior unsecured notes due 2026 affirmed at ‘BBB’

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.

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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