

Lianhe Global has affirmed ‘BBB-’ global scale Long-term Issuer Credit Rating of Chengdu Sino French Ecological Park Investment Development Co., Ltd.; Rating Outlook Stable

HONG KONG, 3 January 2024 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB-’ global scale Long-term Issuer Credit Rating of Chengdu Sino French Ecological Park Investment Development Co., Ltd. (“CSID”). The Outlook is Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People’s Government of Longquanyi District, Chengdu City (“Longquanyi government”) would provide strong support to CSID if needed, in light of its majority ownership of CSID, CSID’s strategic importance as the sole state-owned entity for infrastructure investment, construction and operation in Chengdu Sino French Ecological Park (“Ecological Park”), and the linkage between the Longquanyi government and CSID, including control and supervision over the management, strategic alignment and ongoing operational and financial support. In addition, the Longquanyi government may face significant negative impact on its reputation, business and financing activities if CSID encounters any operational and financial difficulties.

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

Rating Sensitivities

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

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