

## **Lianhe Global has assigned ‘BBB-’ global scale Long-term Issuance Credit Rating to Taizhou Zhongtian New Energy Industry Development Co., Ltd.’s proposed senior unsecured bonds**

HONG KONG, 26 April 2024 – 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 bonds (“the Bonds”) to be issued by Taizhou Zhongtian New Energy Industry Development Co., Ltd. (“TZNEID”; ‘BBB-/Stable’).

TZNEID intends to use the net proceeds from this offering for project construction and supplement of working capital.

### **Key Rating Rationales**

The Bonds are rated at the same level as TZNEID’s global scale Long-term Issuer Credit Rating of ‘BBB-’ as the Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of TZNEID. The payment obligations of TZNEID under the Bonds 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 Hailing District, (“the Hailing District government”) would provide strong support to TZNEID if needed, in light of its direct full ownership of TZNEID, TZNEID’s strategic importance as an important local investment and development company (“LIDC”) that is responsible for development and operation of Taizhou New Energy Industrial Park in Taizhou’s Hailing District (“Hailing District”), and the linkage between the Hailing District government and TZNEID, including appointment and supervision of the senior management, strategic alignment, major investment and financing plan decisions and ongoing operational and financial support. In addition, the Hailing District government may face significant negative impact on its reputation and financing activities if TZNEID encounters any operational and financial difficulties.

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

### **Rating Sensitivities**

Any rating action on TZNEID’s rating would result in a similar rating action on the Bonds.

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

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

### **Contact Information**

Primary Analyst  
Roy Luo, FRM, CESGA  
Associate Director  
(852) 3462 9582  
[roy.luo@lhratingsglobal.com](mailto:roy.luo@lhratingsglobal.com)

Committee Chairperson  
Joyce Huang, CFA  
Managing Director  
(852) 3462 9586  
[joyce.huang@lhratingsglobal.com](mailto:joyce.huang@lhratingsglobal.com)

Business Development Contact  
Joyce Chi, CESGA  
Managing Director  
(852) 3462 9569  
[joyce.chi@lhratingsglobal.com](mailto:joyce.chi@lhratingsglobal.com)

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