

## **Lianhe Global has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Chengdu Jiaozi Modern Urban Industrial Development Co., Ltd.; Issuer Rating Outlook Stable**

HONG KONG, 12 June 2024 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Chengdu Jiaozi Modern Urban Industrial Development Co., Ltd. (“CJMU” or “the company”). The Outlook is Stable.

### **Key Rating Rationales**

The Issuer Credit Rating reflects a high possibility that the People’s Government of Jinniu District (“the Jinniu government”) would provide strong support to CJMU if needed, in light of its indirect full ownership of CJMU, the strategic importance of CJMU as a major urban development and operation entity in Chengdu’s Jinniu District (“Jinniu”), and the linkage between the Jinniu government and CJMU, including management appointment, supervision over CJMU’s strategic development, major investment and financing plans through its shareholder, strategic alignment and ongoing operational and financial support. In addition, the Jinniu government may face significant negative impact on its reputation and financing activities if CJMU encounters any operational and financial difficulties.

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

### **Rating Sensitivities**

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

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