

## **Lianhe Global has affirmed ‘BBB’ global scale Long-term Issuer and Issuance Credit Rating of Jiangsu Runxin City Investment Group Co., Ltd.; Issuer Rating Outlook is Stable**

HONG KONG, 20 November 2024 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Jiangsu Runxin City Investment Group Co., Ltd. (“JRCI”). The Outlook is Stable.

Lianhe Global has also affirmed ‘BBB’ global scale Long-term Issuance Credit Rating of the senior unsecured CNY bonds issued by JRCI 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 Suining County, Xuzhou City (“Suining government”) would provide very strong support to JRCI if needed, in light of its indirect full ownership of JRCI, JRCI’s strategic importance as the most important local investment and development company (“LIDC”) responsible for infrastructure construction in Suining County (“Suining”), Xuzhou City (“Xuzhou”), and the linkage between the Suining government and JRCI, 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 Suining government may face significant negative impact on its reputation and financing activities if JRCI encounters any operational and financial difficulties.

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

### **Rating Sensitivities**

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

We would consider upgrading JRCI’s rating if there is an upgrade in our internal credit assessment on the Suining government.

Any rating action on JRCI’s rating would result in a similar rating action on its CNY bonds.

## Full List of Issuance Ratings

- CNY307 million 4.98% senior unsecured green bonds due 2027 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 JRCI's rating is Lianhe Global's China Local Investment and Development Companies Criteria published on 31 July 2024, 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. None of the aforementioned entities nor its related parties participate in the credit rating process aside from providing information requested by Lianhe Global.

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