

Lianhe Global: Chengdu Dongjin Huaitou Ronghe Industry Investment Co., Ltd.'s Long-term Issuance Credit Rating Unaffected by the USD Bonds Tap Issuance

HONG KONG, 21 January 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, says Chengdu Dongjin Huaitou Ronghe Industry Investment Co., Ltd.’s (“CDHRI”, ‘BBB-/Stable’) tap issuance of its USD17.6 million on its USD50.5 million 7.6% senior unsecured USD bonds due 2028 (“the Bonds”) will not affect the ‘BBB-’ rating on the Bonds.

The tap issuance will carry the same terms and conditions as the existing Bonds. The Bonds are rated at the same level as CDHRI’s global scale Long-term Issuer Credit Rating (“LTICR”) of ‘BBB-’ as they constitute direct, unsubordinated, unconditional and unsecured obligations of CDHRI.

CDHRI’s LTICR reflects a high possibility that the People’s Government of Jintang County, Chengdu City (“Jintang government”) would provide strong support to CDHRI if needed, in light of its full ownership of CDHRI, CDHRI’s strategic importance as the key local investment and development company that is responsible for infrastructure construction and land consolidation in Jintang County, Chengdu City, especially in Huaizhou Xincheng Functional Area, and the linkage between the Jintang government and CDHRI, 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 Jintang government may face significant negative impact on its reputation and financing activities if CDHRI encounters any operational and financial difficulties.

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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.

Principal Methodology Applied

China Local Investment and Development Companies Criteria (published on 31 July 2024)
The methodology 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. None of the aforementioned entities nor its related parties participate in the credit rating process aside from providing information requested by Lianhe Global.

Contact Information

Primary Analyst, Hong Kong

Rechel Chen

Analyst

(852) 3462 9589

rechel.chen@lhratingsglobal.com

Secondary Analyst, Hong Kong

Toni Ho, CFA, FRM

Director

(852) 3462 9578

toni.ho@lhratingsglobal.com

Investor and Media Relations Contact, Hong Kong

Alice Wang

Associate Director

(852) 3462 9568; (86) 185 1686 2143

alice.wang@lhratingsglobal.com

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