

Lianhe Global has assigned ‘BBB-’ global scale Long-term Issuance Credit Rating to Anqing Yixiu District Beautiful Village Construction Co., Ltd.’s proposed USD bonds

HONG KONG, 28 May 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘BBB-’ global scale Long-term Issuance Credit Rating to the USD bonds (“the Bonds”) to be issued by Anqing Yixiu District Beautiful Village Construction Co., Ltd. (“AYVC”; ‘BBB-/Stable’).

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

Key Rating Rationales

The Bonds are rated at the same level as AYVC’s global scale Long-term Issuer Credit Rating of ‘BBB-’ as the Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of AYVC. The payment obligations of AYVC 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 Yixiu District Government of Anqing City (“the Yixiu government”) would provide strong support to AYVC if needed. This mainly considers its full ownership of AYVC, AYVC’s strategic importance as a key local investment and development company in Yixiu District (“Yixiu”). The linkage between the Yixiu government and AYVC is strong, including management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Yixiu government may face significant negative impact on its reputation and financing activities if AYVC encounters any operational or financial difficulties.

Yixiu is a district under the jurisdiction of Anqing City, Anhui Province. It owns a provincial-level economic development zone. The Yixiu government’s budgetary revenue increased strongly by 14.3% to RMB1.4 billion in 2024. The Yixiu government expects Yixiu’s GDP to grow by 6.5% in 2025.

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

Rating Sensitivities

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

We would consider downgrading AYVC’s rating if (1) there is perceived weakening in support from the Yixiu government, particularly due to its reduced strategic importance with diminished government functions, or (2) there is a significant reduction of the Yixiu government’s

ownership of AYVC, or (3) there is a downgrade in our internal credit assessment on the Yixiu government.

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

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 rating process aside from providing information requested by Lianhe Global.

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