聯合評級國際
Lianhe Ratings Global

Press Release
16 May 2025

Lianhe Global has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Zoucheng Hengtai Holding Group Co., Ltd. Issuer Rating Outlook Stable

HONG KONG, 16 May 2025 – Lianhe Ratings Global Limited ("Lianhe Global"), an international credit rating company, has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Zoucheng Hengtai Holding Group Co., Ltd. ("ZHHG" or "the company"). The Outlook is Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the Zoucheng State-owned Asset Supervision and Administration Bureau ("Zoucheng SASAB") would provide very strong support to ZHHG if needed, in light of its full ownership of ZHHG, ZHHG's strategic importance as the key local investment and development company that is responsible for affordable housing construction in Zoucheng City, Jining City and the linkage between the Zoucheng SASAB and ZHHG. In addition, the region may face significant negative impact on its reputation and financing activities if ZHHG encounters any operational and financial difficulties.

Zoucheng is a county-level city under the jurisdiction of Shandong's Jining City. It is one of top 100 counties in China. Zoucheng's GDP grew by 6.5% to RMB110.4 billion in 2024, while the budgetary revenue grew by 5.5% to RMB9.6 billion.

The Stable Outlook reflects our expectation that ZHHG's strategic importance would remain intact while the Zoucheng government will continue to ensure ZHHG's stable operation.

Rating Sensitivities

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

We would consider upgrading ZHHG's rating if there is an upgrade in our internal credit assessment on the Zoucheng 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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