

Lianhe Global has assigned ‘BBB+’ global scale Long-term Issuance Credit Rating to Foshan Nanhai Lianda Investment (Holding) Co., Ltd.’s proposed CNY Bonds

HONG KONG, 28 August 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘BBB+’ global scale Long-term Issuance Credit Rating to the senior unsecured CNY Bonds (“the Bonds”) to be issued by Foshan Nanhai Lianda Investment (Holding) Co., Ltd. (“FNLI”; ‘BBB+’/Stable).

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

Key Rating Rationales

The Bonds are rated at the same level as FNLI’s global scale Long-term Issuer Credit Rating of ‘BBB+’ as the Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of FNLI. The payment obligations of FNLI 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 Foshan’s Nanhai District People’s government (“the Nanhai District government”) would provide strong support to FNLI if needed, in light of its vast majority ownership of FNLI and FNLI’s strategic importance as an important local investment and development company that is responsible for urban development, infrastructure construction and investment activities in Nanhai District. The linkage between the Nanhai District government and FNLI is strong, including management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Nanhai District government may face significant negative impact on its reputation and financing activities should FNLI encounter any operational and financial difficulties.

Nanhai District is a municipal district of Foshan City, Guangdong Province with a well-developed economy. In 2024, Nanhai District’s GDP grew by 1.8% to RMB400.3 billion. Its budgetary revenue decreased to RMB21.3 billion in 2024 from RMB22.7 billion in 2023.

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

Rating Sensitivities

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

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

government's ownership of FNLI, or (3) there is a downgrade in our internal credit assessment on the Nanhai District government.

We would consider upgrading FNLI's rating if (1) there is strengthened support from the Nanhai District government, or (2) there is an upgrade in our internal credit assessment on the Nanhai District 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 2025)
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.

Contact Information

Primary Analyst, Hong Kong
Chris Cao
Analyst
(852) 3462 9579
chris.cao@lhratingsglobal.com

Secondary Analyst, Hong Kong
Roy Luo, CFA, FRM, CESGA
Director
(852) 3462 9582
roy.luo@lhratingsglobal.com

Committee Chairperson and Ratings Approver, Hong Kong
Toni Ho, CFA, FRM
Senior Director
(852) 3462 9578
toni.ho@lhratingsglobal.com

Investor and Media Relations Contact, Hong Kong
Alice Wang
Associate Director
(852) 6158 2257; (86) 185 1686 2143
alice.wang@lhratingsglobal.com

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