

**Lianhe Global has upgraded the global scale Long-term Issuer Credit Rating of Jiangsu Fangyang Holdings Co., Ltd. to ‘A+’ from ‘A’; Issuer Rating Outlook Stable**

HONG KONG, 5 September 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has upgraded the global scale Long-term Issuer Credit Rating of Jiangsu Fangyang Holdings Co., Ltd. (“JFH” or “the company”) to ‘A+’ from ‘A’; Issuer Rating Outlook is Stable.

**Key Rating Rationales**

The Issuer Credit Rating upgrade reflects JFH’s increasing strategic importance, driven by the strengthened role of the petrochemical industry base expansion zone in Jiangsu province, which is an important zone for the industrial grading and marine economy development along with the Xuwei New District (“Xuwei District”), which is one of the major national petrochemical bases, as well as the enhanced support provided by both the People’s Government of Jiangsu Province (“Jiangsu government”) and the People’s Government of Lianyungang City, Jiangsu Province (“Lianyungang government”).

We believe this continues to reflect a high possibility that the People’s Government of Jiangsu Province (“Jiangsu government”) and the People’s Government of Lianyungang City, Jiangsu Province (“Lianyungang government”) would provide strong support to JFH if needed, in light of the government’s full ownership of JFH, JFH’s strategic importance as the key local investment and development company (“LIDC”) that is responsible for infrastructure construction, state-owned asset operation and agriculture development in Lianyungang City, Jiangsu Province (“Lianyungang”), especially in the Xuwei New District (“Xuwei District”), and the linkage between the government and JFH, 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 Jiangsu and Lianyungang government may face significant negative impact on its reputation and financing activities if JFH encounters any operational and financial difficulties.

Lianyungang is a prefecture-level city in northern Jiangsu Province. Lianyungang’s GDP grew steadily by 5.8% year-over-year in 2024 and reached RMB466.31 billion. The budgetary revenue of the Lianyungang government increased to RMB28.71 billion in 2024 from RMB25.60 billion in 2023.

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

## Rating Sensitivities

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

We would consider upgrading JFH's rating if (1) there is strengthened support from the government, or (2) there is an upgrade in our internal credit assessment on the Jiangsu 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](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 rating process aside from providing information requested by Lianhe Global.

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