

Lianhe Global has affirmed ‘A-’ global scale Long-term Issuer and Issuance Credit Rating of Zhangzhou Jiulongjiang Group Co., Ltd.; Issuer Rating Outlook Revised to Positive

HONG KONG, 2 September 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), has affirmed ‘A-’ global scale Long-term Issuer Credit Rating of Zhangzhou Jiulongjiang Group Co., Ltd. (“Jiulongjiang Group” or “the company”); The Outlook is revised to Positive from Stable.

Lianhe Global has also affirmed ‘A-’ global scale Long-term Issuance Credit Rating of the senior unsecured CNY bonds issued by Jiulongjiang Group at the same time. A full list of affirmed issuance rating is included in this press release.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the Zhangzhou Municipal People’s Government (“Zhangzhou government”) would provide very strong support to Jiulongjiang Group if needed. This mainly considers the Zhangzhou government’s 90% ownership of Jiulongjiang Group, Jiulongjiang Group’s strategic position as an important state-owned asset management and operation entity of Zhangzhou and the strong linkage between the Zhangzhou government and Jiulongjiang Group, including management supervision, strategic alignment, and ongoing operational and financial support. In addition, the Zhangzhou government may face significant negative impact on its reputation, business and financing activities should Jiulongjiang Group encounter any operational or financial difficulties.

Zhangzhou is a prefecture-level city in southern Fujian Province. Zhangzhou’s GDP grew steadily by 6.1% year-over-year in 2024 and reached RMB606.4 billion. The budgetary revenue of the Zhangzhou government stayed roughly flat at RMB27.6 billion in 2024 compared with RMB27.9 billion in 2023.

The Positive Outlook reflects our expectation that Jiulongjiang Group’s strategic importance would be strengthened given its increasing involvement and investment in the national petrochemical base in Gulei. Jiulongjiang Group is expanding its investment in the major petrochemical projects in Gulei, which are under the guidance of both the People’s Government of Fujian Province (“Fujian government”) and the Zhangzhou government and cooperated with leading national and international enterprises. Besides, the company also takes the leading role in attracting investment channels and partnerships. Upon the completion of these projects, the production and refining capacity could be significantly enhanced. Besides, the Zhangzhou government will continue to ensure Jiulongjiang Group’s stable operation.

Rating Sensitivities

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

We would consider upgrading Jiulongjiang Group's rating if (1) there is an upgrade in our internal credit assessment on the Zhangzhou government, and/or (2) there is strengthened support from the Fujian government.

Any rating action on Jiulongjiang Group's rating would result in a similar rating action on its CNY bonds.

- CNY1.37 billion 4.28% senior unsecured bonds due 2026 affirm at 'A-'
- CNY2.13 billion 4.20% senior unsecured bonds due 2026 affirm at 'A-'

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.

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