

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

HONG KONG, 3 September 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), has affirmed ‘A-’ global scale Long-term Issuer Credit Rating of Fujian Zhanglong Group Co., Ltd. (“Zhanglong 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 Zhanglong 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 Zhanglong Group if needed, in light of its 90% ownership of Zhanglong Group, Zhanglong Group’s strategic position as an important state-owned asset operation and development entity of Zhangzhou and the strong linkage between the Zhangzhou government and Zhanglong 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 Zhanglong 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 Zhanglong Group’s strategic importance would be strengthened given the increasing strategic importance of Dongshan County as a major county in Fujian Province with abundant marine resources, equity transfer to the company and the management appointment, and receiving support from both the People’s Government of Fujian Province (“Fujian government”) and the Zhangzhou government. Besides, the Zhangzhou government will continue to ensure Zhanglong Group’s stable operation.

Rating Sensitivities

We would consider downgrading Zhanglong 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 Zhanglong Group, or (3) there is a downgrade in our internal credit assessment on the Zhangzhou government.

We would consider upgrading Zhanglong 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 Zhanglong Group's rating would result in a similar rating action on its USD bonds.

- USD500 million 6.7% senior unsecured bonds due 2026 affirmed at 'A-'
- USD500 million 5.1% senior unsecured bonds due 2028 affirmed 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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