Lianhe Global has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Qingdao Development Zone Investment and Construction Group Co., Ltd.; Issuer Rating Outlook is Stable

HONG KONG, 13 October 2025 – Lianhe Ratings Global Limited ("Lianhe Global"), an international credit rating company, has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Qingdao Development Zone Investment and Construction Group Co., Ltd. ("QDZIC" or "the company"); Issuer Rating Outlook is Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People's Government of West Coast New Area, Qingdao City ("West Coast New Area government") would provide strong support to QDZIC if needed, in light of its indirect full ownership of QDZIC, QDZIC's strategic importance as the key local investment and development company ("LIDC") responsible for infrastructure construction and state-owned asset management in the West Coast New Area, Qingdao City ("West Coast New Area"), especially in the Qingdao Economic and Technological Development Zone ("Qingdao EDZ"), and the linkage between the West Coast New Area government and QDZIC, including management appointments, strategic alignment, supervision of major investment and financing plans and ongoing operational and financial support. In addition, the West Coast New Area government may face significant negative impact on its reputation and financing activities if QDZIC encounters any operational and financial difficulties.

West Coast New Area is a district under the administration of Qingdao City. Its GDP grew steadily by 5.8% to RMB526.1 billion in 2024. Its budgetary revenue also increased by 1.2% to RMB27.2 billion in 2024.

The Stable Outlook reflects our expectation that QDZIC's strategic importance would remain intact while the West Coast New Area government will continue to ensure QDZIC's stable operation.

Rating Sensitivities

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

We would consider upgrading QDZIC's rating if (1) there is strengthened support from the West Coast New Area government, or (2) there is an upgrade in our internal credit assessment on the West Coast New Area 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
Toni Ho, CFA, FRM
Senior Director
(852) 3462 9578
toni.ho@lhratingsglobal.com

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

Committee Chairperson and Ratings Approver, Hong Kong
Roy Luo, CFA, FRM, CESGA
Director
(852) 3462 9582
roy.luo@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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