

## Lianhe Global has assigned ‘BBB’ global scale Long-term Issuer Credit Rating with Stable Outlook to Chengdu Xinjin Jincheng Industrial Development Group Co., Ltd.

HONG KONG, 31 December 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘BBB’ global scale Long-term Issuer Credit Rating to Chengdu Xinjin Jincheng Industrial Development Group Co., Ltd. (“CXJID” or “the company”). The Outlook is Stable.

The Issuer Credit Rating reflects a high possibility that the People’s Government of Xinjin District (“Xinjin government”) would provide strong support to CXJID if needed, in light of its indirect full ownership of CXJID, CXJID’s strategic importance as an important local investment and development company (“LIDC”) that is responsible for industrial investment in Xinjin, and the linkage between the Xinjin government and CXJID, including appointment and supervision of senior management, strategic alignment, supervision of major investment and financing plan decisions and ongoing operational and financial support. In addition, the Xinjin government may face significant negative impact on its reputation and financing activities if CXJID encounters any operational or financial difficulties.

Xinjin is one of the municipal districts under the jurisdiction of Chengdu, the capital city of Sichuan Province. Its GDP grew steadily by 5.9% to RMB53.5 billion in 2024. The budgetary revenue also increased by 7.9% to RMB4.0 billion in 2024.

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

### Key Rating Rationales

**Government’s Ownership and Supervision:** The Xinjin government holds the full ownership of CXJID through the State-owned Assets Supervision and Administration Bureau of Xinjin government (“Xinjin SASAB”) and Chengdu Xinjin City Industry Development Group Co., Ltd. (“CXCID”, ‘BBB’/Stable). CXCID is the sole shareholder of the company, while Xinjin SASAB is the actual controller of the company. The Xinjin government has strong control and supervision over CXJID, including appointment and supervision of senior management, strategic alignment, supervision of major investment and financing plan decisions and ongoing operational and financial support, etc. Moreover, the Xinjin government has assessment mechanism over the company and it appoints auditors to supervise the operating performance and financials on a regular basis.

**Strategic Importance and Strategic Alignment:** As an important LIDC in Xinjin, CXJID is primarily responsible for the industrial investment in the region. The company mainly engages in engineering construction, property management and service, sand and gravel sales, testing,

surveying and trading services. Its business operations and strategic planning have been aligned with the Xinjin government's economic and social development plans.

**Ongoing Government Support:** CXJID continues to receive various form of support from the Xinjin government, including asset and capital injections, financial subsidies, etc. Between 2022 and the first nine months of 2025, the company received financial subsidies with a total amount of RMB216 million. Also, the company received asset injection of RMB1.2 billion during the same period, which mainly consists of the operating rights of sand and gravel sales. It also received a capital injection of RMB282 million in the first nine months of 2025. We believe the government support to CXJID to remain intact given the company's strategic importance in Xinjin.

**CXJID's Financial Matrix and Liquidity Position:** CXJID's total assets increased from RMB6.5 billion at end-2022 to RMB9.4 billion at end-September 2025, which was mainly due to the asset injection of operating rights for sand and gravel resources and charging piles. On the other hand, CXJID's total debt increased to RMB2.9 billion at end-September 2025 from RMB0.7 billion at end-2022. As a result, the company's financial leverage, as measured by the debt to capitalization ratio, increased to 41.9% from 23.0% during the same period.

The short-term debt servicing pressure of CXJID was adequate. At end-September 2025, the company had a total cash balance (including restricted cash) of RMB1.3 billion, compared with debt due within one year of RMB0.7 billion. CXJID has access to some financing channels, including bank loans and non-traditional financing, to support its debt repayments and business operations.

### **Rating Sensitivities**

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

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

### Contact Information

Primary Analyst, Hong Kong

Toni Ho, CFA, FRM

Senior Director

(852) 3462 9578

[toni.ho@lhratingsglobal.com](mailto:toni.ho@lhratingsglobal.com)

Secondary Analyst, Hong Kong

Rechel Chen

Analyst

(852) 3462 9589

[rechel.chen@lhratingsglobal.com](mailto:rechel.chen@lhratingsglobal.com)

Committee Chairperson and Ratings Approver, Hong Kong

Roy Luo, CFA, FRM, CESGA

Director

(852) 3462 9582

[roy.luo@lhratingsglobal.com](mailto:roy.luo@lhratingsglobal.com)

Investor and Media Relations Contact, Hong Kong

Alice Wang

Associate Director

(852) 3462 9568; (86) 185 1686 2143

[alice.wang@lhratingsglobal.com](mailto:alice.wang@lhratingsglobal.com)

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