

## Lianhe Global has affirmed 'A' global scale Long-term Issuer Credit Rating of Shuifa Group Co., Ltd.; Issuer Rating Outlook Stable

HONG KONG, 30 December 2025 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed 'A' global scale Long-term Issuer Credit Rating of Shuifa Group Co., Ltd. (“Shuifa” or “the company”). The Outlook remains Stable.

### Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People's Government of Shandong Province (“Shandong government”) would provide moderately strong support to Shuifa if needed, in light of its indirect full ownership of Shuifa, Shuifa's strategic position as the sole provincial level, and the major water supply and water-related project development platform in Shandong Province (“Shandong”) and the strong linkage between the Shandong government and Shuifa including management supervision, strategic alignment, and ongoing operational and financial support. In addition, we believe that the Shandong government has a moderately strong willingness to prevent default of Shuifa, in order to ensure its reputation and financing activities.

Shandong is a coastal province of China and is part of the East China region. Shandong had a residential population of 100.8 million at end-2024, making it China's second most populous province after Guangdong Province. Its GDP grew steadily by 5.7% to RMB9,856.6 billion in 2024, while its budgetary revenue increased by 3.3% to RMB771.2 billion in the same year.

The Stable Outlook reflects our expectation that Shuifa's strategic importance would remain intact while the Shandong government will continue to ensure Shuifa's stable operation.

### Rating Sensitivities

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

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