

Lianhe Global has assigned ‘A-’ global scale Long-term Issuer Credit Rating to Ganzhou Urban Investment Holding Group Co., Ltd.; Outlook Positive

HONG KONG, 21 January 2026 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘A-’ global scale Long-term Issuer Credit Rating to Ganzhou Urban Investment Holding Group Co., Ltd. (“GUIH” or “the company”). The Outlook is Positive.

The Issuer Credit Rating reflects a high possibility that the People’s Government of Ganzhou City (“the Ganzhou government”) would provide strong support to GUIH if needed. This mainly considers the Ganzhou government’s indirect vast majority ownership of GUIH and GUIH’s strategic importance as an important urban development and operation entity in Ganzhou. The linkage between the local government and GUIH is strong, including management supervision, strategic alignment and ongoing operational and financial support. In addition, we believe the Ganzhou government has a strong willingness to prevent GUIH from encountering any operational or financial difficulties in order to safeguard its reputation and financing activities.

The Positive Outlook reflects our expectation that GUIH’s strategic importance would be strengthened given its expanding role in Ganzhou’s infrastructure construction and investment, especially in water conservancy projects. The Ganzhou government recently entrusted GUIH with establishing a water investment company to facilitate local water conservancy projects’ development and create a comprehensive water resources integration platform.

Ganzhou is a prefecture-level city and a provincial sub-center city in Jiangxi Province with abundant mineral resources including rare earths, tungsten, and kaolin. The GDP of Ganzhou grew by 5.4% to RMB494.0 billion in 2024, while the budgetary revenue of the Ganzhou government increased by 2.5% to RMB32.8 billion.

Key Rating Rationales

Government’s Ownership and Supervision: GUIH is wholly owned by Ganzhou Development Investment Holding Group Co., Ltd. (“GDIH”), the flagship local investment and development company in Ganzhou. The Ganzhou State-owned Assets Supervision and Administration Commission holds 90% shares of GDIH, and is GUIH’s ultimate controller. The Ganzhou government has strong control and supervision over the GUIH, including senior management appointment, decision on its strategic development and investment plan and supervision of its major funding decisions. In addition, the Ganzhou government has assessment mechanism over the company and it appoints auditors to supervise the operating performance and financial position on a periodic basis.

Strategic Importance and Strategic Alignment: GUIH is an important urban development and operation entity in Jiangxi’s Ganzhou. The company undertakes major infrastructure public facilities, social housing and urban renewal projects in Ganzhou. The Ganzhou

government also entrusted GUIH to establish a water investment company to facilitate local water conservancy projects' development and create a comprehensive water resources integration platform. Its business operations and development are closely aligned with the local government's policies. We expect GUIH strategic importance in Ganzhou to be strengthened given its expanding role in Ganzhou's infrastructure construction and investment.

Strong Government Support: GUIH received ongoing operational and financial support from the local government. The Ganzhou government provided operational subsidies totaling RMB2 billion between 2022 and the first half of 2025 to support the company's activities in relation to providing public goods. In addition, the Ganzhou government injected cash capital, project funds and other stated-owned assets into GUIH over the same period. Its equity base was enhanced to RMB62.6 billion at end-June 2025 from RMB58.3 billion at end-2022. Given that GUIH's strategic importance, we believe it is likely to receive timely government support.

GUIH's Financial and Liquidity Position: GUIH's asset size increased steadily to RMB164.8 billion at end-June 2025 from RMB150.3 billion at end-2022, as it actively participated in Ganzhou's project development and received the Ganzhou government's ongoing asset injections. Its total debt stayed between RMB71 billion and RMB72 billion over the same period. Therefore, its financial leverage, as measured by debt to capitalization was managed at below 55% level.

GUIH's short-term debt servicing pressure is high. At end-June 2025, the company held unrestricted cash of RMB2.7 billion, compared to RMB20.8 billion of short-term debt. Nevertheless, GUIH maintains access to diverse funding sources, including bank loans, bond issuances, and other non-traditional channels to support ongoing operations. As of end-September 2025, the company had total bank facilities of RMB72.6 billion, of which RMB49.4 billion was unused.

Rating Sensitivities

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

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

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