

Lianhe Global has affirmed 'A-' global scale Long-term Issuer Credit Rating of Xi'an Kingfar Holding (Group) Co., Ltd. with Stable Outlook; The global scale Long-term Issuance Credit Rating of its Credit Enhanced Guaranteed CNY Bonds affirmed at 'AA-'

HONG KONG, 19 January 2026 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Xi'an Kingfar Holding (Group) Co., Ltd. (“Xi'an Kingfar” or “the company”); Issuer Rating Outlook is Stable.

Lianhe Global has also affirmed ‘AA-’ global scale Long-term Issuance Credit Rating of the Credit Enhanced Guaranteed CNY Bonds issued by Xi'an Kingfar’s wholly-owned subsidiary Xi'an Kingfar International (Singapore) Pte. Ltd. The bonds have the benefit of RMB-denominated irrevocable standby letter of credit (“the SBLC”) issued by Postal Savings Bank of China Co., Ltd. (“PSBC”)'s Shaanxi branch. 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 Management Committee of Xi'an Economic and Technology Development Zone (“XETDZ MC”) (the de facto local government) would provide very strong support to Xi'an Kingfar if needed. This mainly considers XETDZ MC's direct full ownership of Xi'an Kingfar and the company's strategic importance as the most important entity responsible for city development and operation in XETDZ. The linkage between the local government and Xi'an Kingfar is strong, including management supervision, strategic alignment and ongoing operational and financial support. In addition, the local government may face significant negative impact on its reputation and financing activities if Xi'an Kingfar encounters any operational and financial difficulties.

XETDZ is a national development zone, which is located in the North of Xi'an, the capital city of Shaanxi province. XETDZ's GDP grew rapidly by 9.9% to RMB130.4 billion in 2024, while the budgetary revenue totaled RMB3.8 billion.

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

The Issuance Credit Rating primarily reflects the credit enhancement provided by the SBLC and underpinned by the credit strength of PSBC as a large state-owned commercial bank and a domestic systemically important bank (D-SIB).

Rating Sensitivities

We would consider downgrading Xi'an Kingfar'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 Xi'an Kingfar, or (3) there is a downgrade in our internal credit assessment on the XETDZ.

We would consider upgrading Xi'an Kingfar's rating if there is an upgrade in our internal credit assessment on the XETDZ.

Any downgrade or upgrade in our internal credit assessment on PSBC would result in a similar rating action on the Bonds.

Full List of Issuance Rating

- CNY1,150 million 3.9% credit enhanced guaranteed bonds due 2026 affirmed at 'AA-'

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)
Banking Rating Criteria (published on 20 March 2023)

The methodologies 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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