Lianhe Ratings Global

Press Release
20 March 2026

Lianhe Global has upgraded the global scale Long-term Issuer Credit Rating of Jinhua State-owned Capital Operation Co., Ltd. to ‘A+’ from ‘A’; Issuer Rating Outlook Stable

HONG KONG, 20 March 2026 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has upgraded the global scale Long-term Issuer and Issuance Credit Rating of Jinhua State-owned Capital Operation Co., Ltd. (“JSCO” or “the company”) to ‘A+’ from ‘A’; Issuer Rating Outlook is Stable.

Key Rating Rationales

The Issuer Credit Rating upgrade reflects an upgrade in our internal credit assessment on the People’s Government of Jinhua City (“the Jinhua government”) and the expectation of a continuing high possibility that the Jinhua government would provide very strong support to JSCO if needed. This mainly considers in light of the Jinhua government’s full ownership of JSCO and JSCO’s strategic importance as the key urban development and city operation platform in Zhejiang’s Jinhua City (“Jinhua”). The strong linkage between the Jinhua government and JSCO is strong, including management supervision, strategic alignment, and ongoing operational and financial support. In addition, we believe that the Jinhua government has a very strong willingness to ensure JSCO’s business and financial viability to safeguard its reputation and local financing activities.

Jinhua is a prefecture-level city located in the middle of Zhejiang Province, with a well-developed outward-oriented economy. Its GDP maintained a moderately high growth of above 6% in the past three years, reaching RMB731.3 billion in 2025. Meanwhile, the Jinhua government’s budgetary revenue increased by 3.5% to RMB55.6 billion.

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

Rating Sensitivities

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

We would consider upgrading JSCO’s rating if there is an upgrade in our internal credit assessment on the Jinhua 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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