Lianhe Ratings Global Limited ("Lianhe Global") has affirmed 'A' global scale Long-term Issuer Credit Rating of Shaoxing City Development Group Co., Ltd.; Rating Outlook Stable

HONG KONG, 24 August 2026 – Lianhe Ratings Global Limited ("Lianhe Global"), an international credit rating company, has affirmed 'A' global scale Long-term Issuer Credit Rating of Shaoxing City Development Group Co., Ltd. ("SCDG"); Rating Outlook remains Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the Shaoxing Municipal People's Government ("the Shaoxing government") would provide strong support to SCDG if needed. This mainly reflects the Shaoxing Government's majority ownership of SCDG and SCDG's key role in Shaoxing's utility operations (gas and water), infrastructure construction and social-housing development. The linkage between the Shaoxing Government and SCDG is strong, including management supervision, strategic alignment and ongoing operational and financial support. In addition, the Shaoxing government has a strong willingness to ensure SCDG's business and financial viability to safeguard its reputation and local financing activities.

Shaoxing is a prefecture-level city in Zhejiang Province. Its GDP grew 6.5% to RMB893.2 billion in 2025, while budgetary revenue rose 2.5% to RMB60.3 billion.

The Stable Outlook reflects our expectation that SCDG's strategic importance would remain intact while the Shaoxing Government will continue to ensure SCDG's stable operation.

Rating Sensitivities

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

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