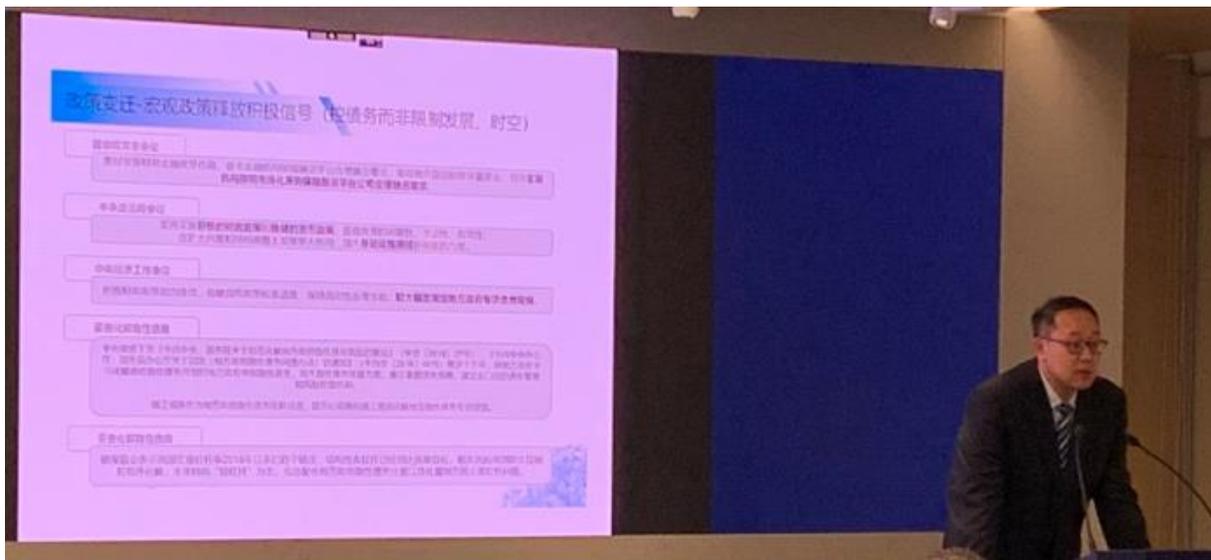


## China Lianhe and Lianhe Global “China LGFVs: the Credit Events and the Implications in 2019” Luncheon Was Successfully Held

HONG KONG, 20 March 2019 – China Lianhe Credit Rating Co., Ltd. (“China Lianhe”) and Lianhe Ratings Global Limited (“Lianhe Global”) jointly held a luncheon on “China LGFVs: the Credit Events and the Implications in 2019” on 15 March 2019, in Hong Kong. At the luncheon, the presenters presented and discussed the key issues of the industry with bond investors and strengthened the interaction with them for their better understanding of the development of China’s local government financing vehicles (“LGFVs”) and their credit profiles. The luncheon was attended by 107 investors (80 in Hong Kong and 27 in Singapore). An in-depth discussion on two major topics: “Reviewing the Belief in Implicit Government Support to LGFVs from Risk Events and Resolution” and “China LGFV Offshore Rating Criteria and Outlook” was conducted during the luncheon.

Mr. Zhou Kui, the Rating Head of Public Finance Department of China Lianhe, shared his view on China LGFVs with focuses on recent regulatory policies, debt resolutions and funding channels, and major credit events. Several case studies, e.g. LGFVs in Qinghai, Yunnan and Xinjiang, were presented with deep insights. After that, Ms. Joyce Huang, the Senior Director of Lianhe Global, elaborated on Lianhe Global’s LGFV rating criteria and made a detailed comparison of LGFV rating approaches adopted by three major international rating agencies and Lianhe Global. She also commented on the development and outlook of China LGFV onshore and offshore bond markets.



After the presentation, the investors exchanged their opinions on the presentation topics, and raised questions about the current business and financial issues of LGFV issuers, local governments’ financial positions, and possible resolutions of implicit local government debt. The presenters expressed their views on these questions.



China Lianhe is one of the most professional and largest credit rating agencies in China. It adheres to the concept of “professionalism, responsibility, innovation and persistence” and is committed to providing investors with objective, fair and scientific credit rating results. Lianhe Global serves as a window and platform for the international development of China Lianhe and for fulfilling the financing service needs of international bond investors and Chinese enterprises for seeking offshore funding.

### **About Lianhe Global**

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local government financing vehicles, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

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