

CCXAP assigns BBB_g- to Zhejiang Huzhou Nanxun Economic Construction Development Co., Ltd.'s proposed offshore bonds.

Hong Kong, 11 May 2023 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned an expected senior unsecured debt rating of BBB_g- to the proposed offshore bonds to be issued by Zhejiang Huzhou Nanxun Economic Construction Development Co., Ltd. (“NECD” or the “Company”)(BBB_g/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of NECD, which shall at all times rank pari passu with all the Company’s other present and future unsecured and unsubordinated obligations. The Company intends to use the proceeds for project investment and to supplement the Company’s working capital.

Rating Rationale

NECD’s senior unsecured debt rating is equal to its long-term credit rating. We believe that government support will be strong for the Company given its important role in infrastructure construction in Nanxun Economic and Technological Development Zone, thereby mitigating any differences in an expected loss that could result from structural subordination.

Rating Methodology

The methodology used in this rating is the Rating Methodology for [China’s Local Infrastructure Investment and Financing Companies \(July 2022\)](#).

Regulatory Disclosures

CCXAP’s Rating Symbols and Definitions are available on its website at:

http://www.ccxap.com/en/rating_services/category/6/

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