

CCXAP assigns BBB_g- to Dujiangyan Smart City Operation and Construction Development Group Co., Ltd.'s proposed offshore bonds.

Hong Kong, 16 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 Dujiangyan Smart City Operation and Construction Development Group Co., Ltd. (“DSOC” or the “Company”)(BBB_g-/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of DSOC, 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 replenishment of the company's working capital.

Rating Rationale

DSOC’s senior unsecured debt rating is equivalent to its long-term credit rating. We believe that government support will flow through the Company given its key roles in local infrastructure construction and urban operation in Dujiangyan City, 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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