

CCXAP assigns BBB_g- to Jiangsu Fushui Water Group Co., Ltd.'s proposed offshore bonds

Hong Kong, 7 July 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 Jiangsu Fushui Water Group Co., Ltd. (“FSWG” or the “Company”) (BBB_g-/stable).

The bonds constitute direct, unsubordinated, unconditional, and unsecured obligations of FSWG, 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 development, grain sales and replenishment of working capital.

Rating Rationale

FSWG’s senior unsecured debt rating is in line with its long-term credit rating. We believe that government support will flow through the Company given its key roles in hydraulic infrastructure construction and public services in Funing County, 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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The first name below is the lead rating analyst for this rating and the last name below is the person primarily responsible for approving this rating.

Kelly Liang

Credit Analyst

+852-2860 7127

george_wang@ccxap.com

Elle Hu

Executive Director of Credit Ratings

+852-2860 7120

elle_hu@ccxap.com

Client Services: +852-2860 7111



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China Chengxin (Asia Pacific) Credit Ratings Company Limited

Address: Suites 1904-1909, 19/F, Jardine House,
1 Connaught Place, Central, Hong Kong

Website: www.ccxap.com

Email: info@ccxap.com

Tel: +852-2860 7111

Fax: +852-2868 0656