

CCXAP assigns BBB_g- to Gaoyou Water Industry Investment Group Co., Ltd.'s proposed offshore bonds.

Hong Kong, 3 August 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 Gaoyou Water Industry Investment Group Co., Ltd. (“GWIG” or the “Company”) (BBB_g-/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of GWIG, 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 working capital.

Rating Rationale

GWIG’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 strong market position in the water conservancy infrastructure construction and water utilities of Gaoyou 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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Regulatory disclosures contained here apply to press release, rating report, and if applicable, the related rating outlook or rating review.



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