

## CCXAP assigns A<sub>g</sub>- to Wuxi Gaofa Investment & Development Group Co., Ltd.'s proposed offshore bonds

Hong Kong, 1 November 2023 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned an expected senior unsecured debt rating of A<sub>g</sub>- to the proposed offshore bonds to be issued by Wuxi Gaofa Investment & Development Group Co., Ltd. (“WXGF” or the “Company”) (A<sub>g</sub>-/stable). Alternatively, the bonds will be issued by Hong Kong Gaofa Investment Development Co., Limited, a subsidiary wholly owned by WXGF, and unconditionally and irrecoverably guaranteed by WXGF.

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

### Rating Rationale

The senior unsecured debt rating of the bonds is equal to WXGF’s long-term credit rating, as WXGF will either issue the bonds directly or provide unconditional and irrevocable guarantee to the bonds. We believe that government support will flow through the Company given its important position in the development of Xinwu District, 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/](http://www.ccxap.com/en/rating_services/category/6/)

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