

CCXAP assigns A_g+ to Jiangyou Chuangyuan Development and Construction Investment Co. Ltd.'s proposed guaranteed USD bonds

Hong Kong, 15 October 2024 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned a senior unsecured debt rating (guaranteed) of A_g+ to the proposed guaranteed USD bonds to be issued by Jiangyou Chuangyuan Development and Construction Investment Co. Ltd. (“JCDC” or the “Company”) (BBB_g-/stable). The bonds will be unconditionally and irrevocably guaranteed by Tianfu Bond Insurance Co., Ltd. (“TFBI”).

The Company intends to use the proceeds for project construction and replenishment of working capital.

Corporate Profile

JCDC is the major state-owned entity responsible for infrastructure construction in Jiangyou Industrial Park, Jiangyou City. Its business scope covers infrastructure construction, self-operated project construction, commodity and material sales, and labor service. In December 2023, Jiangyou Hongyuan Hechuang Industrial Development Group Co., Ltd became the controlling shareholder of the Company, replacing the Jiangyou State-Owned Assets Supervision and Administration Office (“Jiangyou SASAO”). Nevertheless, as of 30 June 2024, Jiangyou SASAO remained the actual controller of JCDC, holding 67.0% of the Company’s shares. Besides, Mianyang Miantai Industrial Co., Ltd. held another 33% stake in the Company.

Rating Rationale

The bond rating is based on our assessment of TFBI’s credit quality. The bonds will be unconditionally and irrevocably guaranteed by TFBI. The bonds will constitute direct, general, unsubordinated and unsecured obligations of TFBI, which will at all times at least rank pari passu with all other present and future unsecured and unsubordinated obligations of TFBI.

Established in 2017, TFBI is a leading credit enhancement and investment company in Sichuan Province. We believe TFBI has a high likelihood of government support given its indirect ownership and ultimate control by the Sichuan Province Government, very high strategic function for the economic development and financial stability of Sichuan Province, and solid record of receiving support from the government.

Rating Sensitivities

Any change to the credit quality of TFBI could lead to a corresponding change in the rating of the bonds.

Rating Methodology

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

The methodology used in TFBI’s assessment is the Rating Methodology for [Financial](#)



[Guarantors \(January 2022\)](#).

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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