

CCXAP assigns BBB_g- to Shandong Honghe Holding Group Co., Ltd.'s proposed offshore bonds.

Hong Kong, 8 February 2024 – 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 Shandong Honghe Holding Group Co., Ltd. (“SHHG” or the “Company”) (BBB_g-/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of SHHG, 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 construction and working capital supplement.

Rating Rationale

SHHG’s senior unsecured debt rating is equivalent to its long-term credit rating. We believe that parent support will flow through the Company given its strategic importance to its parent company, 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 [Mining Industry \(December 2017\)](#).

Regulatory Disclosures

CCXAP’s Rating Symbols and Definitions are available on its website at:

http://www.ccxap.com/en/rating_services/category/6/

This rating is solicited. Please refer to CCXAP’s Policy for designating and assigning Solicited and Unsolicited Credit Ratings available on its website at:

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The rating has been disclosed to the rated entity or its related party prior to publication, and issued with no amendment resulting from that disclosure.

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