

CCXAP assigns BBB_g to Shandong Quanhui Industrial Development Co., Ltd.'s proposed offshore bonds

Hong Kong, 1 March 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 Quanhui Industrial Development Co., Ltd. (“QHID” or the “Company”) (BBB_g/stable).

The bonds constitute direct, unsubordinated, unconditional, and unsecured obligations of QHID, 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 QHID’s long-term credit rating. We believe that government support will flow through the Company given its important role in the economic and industrial development of Zhangqiu 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/

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