

CCXAP assigns BBB_g- to Jinan Economic Development Investment Co., Ltd.'s proposed offshore bonds

Hong Kong, 4 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 Jinan Economic Development Investment Co., Ltd. (“JEDI” or the “Company”) (BBB_g-/Stable), or its offshore subsidiary.

The bonds are expected to be issued directly by the Company, or to be unconditionally and irrecoverably guaranteed by JEDI. The Company intends to use the proceeds for project development and replenishment of working capital.

Rating Rationale

The senior unsecured debt rating of the proposed bonds is equal to JEDI’s long-term credit rating. JEDI is expected to either issue bonds directly or provide an unconditional and irrevocable guarantee for the bonds. Under the unconditional and irrevocable guarantee, the bonds will constitute direct, unconditional, unsubordinated, and unsecured obligations of JEDI, which shall at all times at least rank pari passu with all its other present and future unsubordinated and unsecured obligations.

We believe that government support will flow through the Company given its key strategic role in infrastructure construction of Jiyang 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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