

CCXAP assigns BBB_g- to Shandong Zhicheng Agricultural Development Group Co., Ltd.'s proposed offshore bonds

Hong Kong, 22 May 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 Zhicheng Agricultural Development Group Co., Ltd. (“SDZC” or the “Company”) (BBB_g-/stable).

The bonds constitute direct, unsubordinated, unconditional, and unsecured obligations of SDZC, 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 SDZC’s long-term credit rating. We believe that government support will flow through the Company given its important role in agricultural development in Zoucheng City, 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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