

CCXAP assigns A_g- to Fuqing City State-owned Asset Operation & Investment Co., Ltd.'s proposed offshore bonds

Hong Kong, 17 June 2024 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned an expected senior unsecured debt rating of A_g- to the proposed offshore bonds to be issued by Fuqing City State-owned Asset Operation & Investment Co., Ltd. (“FSAO” or the “Company”) (A_g-/stable).

The bonds constitute direct, unsubordinated, unconditional, and unsecured obligations of FSAO, 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 expenditure and to supplement the Company’s working capital.

Rating Rationale

FSAO’s senior unsecured debt rating is in line with its long-term credit rating. We believe that government support will flow through the Company given its role as most important entity for infrastructure construction and state-owned assets operation in Fuqing 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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CCXAP's public ratings are available at www.ccxap.com (Rating Results) and may be distributed through media and other means.

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