



## **Jiangsu Yueda Group Co., Ltd.'s ratings unaffected by proposed tap issuance**

---

Hong Kong, 30 November 2020 -- China Chengxin (Asia Pacific) Credit Ratings (“CCXAP”) says Jiangsu Yueda Group Co., Ltd.’s (“Jiangsu Yueda” or the “Company”) (BBB<sub>g</sub>-/Stable) proposed tap issuance on its existing USD200 million 5.7% senior unsecured bonds due 2023 will not affect the BBB<sub>g</sub>- rating on the bonds. The rating of the bonds was previously assigned by CCXAP on 4 June 2020.

The proposed tap issuance will carry the same terms and conditions as the existing bonds. Net proceeds from the tap issuance will be used for onshore and offshore business development and refinancing of onshore indebtedness. The rating of the bonds is equal to the Company’s long-term credit rating.

The BBB<sub>g</sub>- long-term credit rating of Jiangsu Yueda is underpinned by the Company’s (1) important status as one of the largest state-owned enterprises in Yancheng City; (2) moderate diversification benefiting from its broad lines of business and quality asset resources; and (3) diversified funding channels. However, the rating is constrained by the Company’s (1) business operations that are susceptible to the volatility of fundamental economic changes as well as policy changes of China; (2) modest financial profile with high debt leverage and low debt coverage; and (3) high refinancing pressure.

### **Rating Methodology**

The methodology used in this rating is the Rating Methodology for [Business and Customer Service Companies \(December 2019\)](#).

### **Regulatory Disclosures**

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

[http://www.ccxap.com/en/rating\\_services/category/6/](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:

[http://www.ccxap.com/en/rating\\_services/category/9/](http://www.ccxap.com/en/rating_services/category/9/)

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.

CCXAP considers a rated entity or its related party to be participating when it maintains an overall relationship with CCXAP. Unless specifically noted in the Regulatory Disclosures as a non-participating entity, the rated entity or its related party is participating and the rated entity or its related party generally provides CCXAP with information for the purposes of its rating process.

Regulatory disclosures contained here apply to press release, rating report, and if applicable, the related rating outlook or rating review.

CCXAP's public ratings are available at [www.ccxap.com](http://www.ccxap.com) (Rating Results) and may be distributed through media and other means.

The first name below is the lead rating analyst for this rating and the last name below is the person primarily responsible for approving this rating.

Vincent Tong  
Credit Analyst -- Credit Ratings  
[vincent\\_tong@ccxap.com](mailto:vincent_tong@ccxap.com)

Guo Zhang  
Director -- Credit Ratings  
[guo\\_zhang@ccxap.com](mailto:guo_zhang@ccxap.com)

Tel: +852-2860 7111

**Disclaimer**

Credit ratings assigned by China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) are based on CCXAP’s rating principles of independence, fairness and objectivity. A credit rating reveals and ranks specific risks, but it does not cover all risks embedded in the rated entity or the rated debt issue.

Credit ratings are not recommendations for investors to buy, sell or hold debt securities, nor measurements of market value of the rated entities or the rated debt issues. While CCXAP has obtained information from sources it believes to be reliable, CCXAP does not perform an audit and undertakes no duty of due diligence or independent verification of information it receives from the rated entity.

All information published in this document belongs to CCXAP and is subject to change without prior notice by CCXAP. CCXAP considers the information contained in this document reliable. However, all information is provided on an "as is" and "as available" basis and CCXAP does not guarantee the accuracy, adequacy, completeness or timeliness of any information included in this document. None of the information may be used, including without limitation reproducing, amending, sending, distributing, transferring, lending, translating, or adapting the information, for subsequent use without CCXAP's prior written permission.

CCXAP is not liable for any in whole or part caused by, resulting from or relating to any error (neglect or otherwise) or other circumstance or contingency within or outside the control of CCXAP's or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, interpretation, analysis, editing, transcription, publication, communication or delivery of any such information, or any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation lost profits), even if CCXAP, or representatives thereof, are advised of the possibility of such damage, losses or expenses.

**China Chengxin (Asia Pacific) Credit Ratings Company Limited**

Address: Suites 1904-1909, 19/F, Jardine House,  
1 Connaught Place, Central, Hong Kong

Website: [www.ccxap.com](http://www.ccxap.com)

Email: [info@ccxap.com](mailto:info@ccxap.com)

Tel: +852-2860 7111

Fax: +852-2868 0656