CCXAP assigns BBB_g- to Zhaoqing Gaoyao District Gaohong Industrial Investment Development Co., Ltd.'s proposed offshore bonds.

Hong Kong, 6 September 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 Zhaoqing Gaoyao District Gaohong Industrial Investment Development Co., Ltd. ("GIID" or the "Company") (BBB_g-/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of GIID, 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 investment and replenishment of working capital.

Rating Rationale

GIID's senior unsecured debt rating is equivalent to its long-term credit rating. We believe that government support will flow through the Company given its key roles in the industrial development of Gaoyao 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 Rating Methodology for General Corporate (April 2019).

Regulatory Disclosures

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