

CCXAP assigns A_g+ to Fuzhou Digital Economy Investment Group Co., Ltd.'s proposed guaranteed USD bonds

Hong Kong, 20 December 2024 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned a senior unsecured debt rating (guaranteed) of A_g+ to the proposed guaranteed USD bonds to be issued by Fuzhou Digital Economy Investment Group Co., Ltd. (“FDEI” or the “Company”) (BBB_g/stable).

The bonds will be unconditionally and irrevocably guaranteed by Hubei Financing Guarantee Group Co., Ltd. (“HBFG”). The Company intends to use the proceeds for refinancing the Company’s medium and long-term offshore bonds, financing the Company’s construction projects and replenishing working capital.

Corporate Profile

Established in 2015, FDEI is an important local infrastructure investment and financing company (“LIIFC”) in Fuzhou City. The Company is primary focused on infrastructure construction projects of major industrial parks in Fuzhou City. The Company also holds franchise rights for gas and waste-to-energy generation. It is also involved in other commercial activities such as engineering construction, trading, and industrial investment. FDEI is ultimately controlled and wholly owned by the Fuzhou State-owned Assets Supervision and Administration Commission (“Fuzhou SASAC”).

Rating Rationale

The bond rating is based on our assessment of HBFG’s credit quality. The bonds will be unconditionally and irrevocably guaranteed by HBFG under the deed of guarantee. The bonds will constitute unsubordinated and unsecured obligations of HBFG, which will at all times at least rank pari passu with all other present and future unsecured and unsubordinated obligations of HBFG.

Established in 2005, HBFG is a leading credit enhancement and investment company in Hubei Province. We believe HBFG has a high likelihood of government support given its indirect ownership and ultimate control by the Hubei Province Government, very high strategic function for the economic development and financial stability of Hubei Province, and solid record of receiving support from the government.

Rating Sensitivities

Any change to the credit quality of HBFG could lead to a corresponding change in the rating of the bonds.

Rating Methodology

The methodology used in FDEI’s rating is the Rating Methodology for [China’s Local Infrastructure Investment and Financing Companies \(July 2022\)](#).



The methodology used in HBBG's assessment is the Rating Methodology for [Financial Guarantors \(January 2022\)](#).

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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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.

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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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