中誠信亞太 CCXAP

CCXAP assigns BBB_g to Jingdezhen Hesheng Industrial Investment Development Co., Ltd.'s existing CNY sustainability bonds

Hong Kong, 15 October 2025 – China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP") has assigned a senior unsecured debt rating of BBB_g to the existing CNY sustainability bonds (ISIN: HK0001193207) issued by Jingdezhen Hesheng Industrial Investment Development Co., Ltd. ("Jingdezhen Hesheng" or the "Company") (BBB_g/stable).

The bonds constitute direct, unconditional, unsubordinated, and unsecured obligations of Jingdezhen Hesheng, 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 to finance or refinance the eligible projects in accordance with the Sustainable Finance Framework and for general corporate purpose.

Corporate Profile

Established in 2009, formerly known as Jingdezhen Hesheng Optoelectronics Industrial Investment Development Co., Ltd., Jingdezhen Hesheng is positioned as an important industrial investment platform in Jingdezhen City, focusing on the investment in emerging industries such as aviation, new energy, and new materials. In addition, the Company is also involved in property leasing, real estate, and trading businesses. As of 31 March 2025, Jingdezhen Hesheng was 80% owned by Jingdezhen Investment Co., Ltd. ("Jingdezhen Investment"), which was Jingdezhen City's main industrial investment platform and wholly owned by Jingdezhen State-owned Assets Operation and Investment Holding Group Co., Ltd. ("JSAH"), while Management Committee of Jingdezhen High-tech Industrial Development Zone ("Jingdezhen HIDZ") held the remaining 20%. Its ultimate controlling shareholder is Jingdezhen State-owned Assets Supervision and Administration Commission ("Jingdezhen SASAC").

Rating Rationale

Jingdezhen Hesheng'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 strategic role as the important industrial development platform in Jingdezhen City, thereby mitigating any differences in an expected loss that could result from structural subordination.

The BBB_g long-term credit rating of Jingdezhen Hesheng is underpinned by the Company's (1) status as important industrial investment platform in Jingdezhen City; and (2) diversified sources of revenue. However, the rating is constrained by the Company's (1) relatively fast debt growth and modest long-term debt servicing capability; and (2) moderate access to funding.

The rating also reflects a high likelihood of government support from the Jingdezhen Municipal Government when needed, which is based on the Company's (1) ultimate control by the Jingdezhen Municipal Government; (2) significance in promoting the strategic development of emerging industries in Jingdezhen City; and (3) solid track record of receiving support from the local government, including subsidies, capital injections and asset transfers.

Rating Outlook

The stable outlook on Jingdezhen Hesheng's rating reflects our expectation that the Company will continue to receive solid support from the Jingdezhen Municipal Government. We also expect the Company to maintain its strategic role as the important industrial development platform in Jingdezhen City over the next 12 to 18 months.

What could upgrade the rating?

The rating could be upgraded if (1) the likelihood of support from the Jingdezhen Municipal Government and its parent company increases; (2) the quality of the Company's investment portfolio materially improves, such as having a higher level of asset liquidity and generating better recurring cash flow from investees; or (3) the Company's credit metrics improve, for example, a lower Total Debt/EBITDA ratio and a higher EBITDA/Interest ratio.

What could downgrade the rating?

The rating could be downgraded if (1) the likelihood of support from the Jingdezhen Municipal Government and its parent company decreases; (2) the performance of the Company's investment portfolio deteriorates; or (3) the Company shows weakened access to funding and eroded liquidity profile.

Rating Methodology

The methodology used in this rating is the Rating Methodology for General Corporate (April 2019).

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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