

CCXAP assigns first-time long-term credit rating of BBB_g+ to Jiangsu Gaokai Investment Development Group Co., Ltd., with stable outlook.

Hong Kong, 17 November 2025 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has assigned first-time long-term credit rating of BBB_g+ to Jiangsu Gaokai Investment Development Group Co., Ltd. (“JSGI” or the “Company”), with stable outlook.

The BBB_g+ long-term credit rating of JSGI reflects (1) the Rugao City Government’s very strong capacity to provide support; and (2) the local government’s very high willingness to provide support, based on our assessment of the Company’s characteristics. Our assessment of the local government’s capacity to provide support reflects Rugao City’s position as one of the top 100 counties in China in terms of comprehensive strength, complemented by its record of sustained rapid economic growth.

The rating also reflects the local government’s willingness to provide support, which is based on the Company’s (1) direct and full ownership by the Rugao City Government; (2) status as the core entity in the industrial park development and operation in Rugao City; and (3) good track record of receiving government support. However, the rating is constrained by the Company’s (1) increasing debt burden and moderate asset liquidity; and (2) medium exposure to contingent liabilities.

Corporate Profile

Established in 2015, JSGI is one of the key local infrastructure investment and financing companies (“LIIFCs”) in Rugao City, Nantong City. It is designated as the primary developer for Rugao City’s urban industrial parks, with a core focus on industrial park development, construction, and the provision of comprehensive services. The Company carries out its activities primarily through its subsidiaries, Nantong Gaoteng Construction Development Co., Ltd. (“GTCD”) and Rugao Chengkong Investment Development Co., Ltd. (“RCID”). As of 30 September 2025, the Company was directly and wholly owned by the Rugao City Government which delegates the State-owned Asset Supervision and Administration Office of Rugao City (“Rugao SASAO”) to act on its behalf to exercise the rights and perform the duties of the shareholder.

Rating Rationale

Credit Strengths

Key developer in Rugao City responsible for development and operation of industrial parks. JSGI is the key developer in the development and operation of industrial parks in Rugao City, with clearly defined role among local state-owned enterprises. Its core activities, infrastructure construction of the industrial park and resettlement housing construction, aligns with the local government’s development plans and supports regional economic growth. Meanwhile, as a key issuer of onshore and offshore bonds in Rugao City, any significant changes in its status or a default would severely impact the city’s financing environment. We

expect the Company's policy role to remain stable, with a low likelihood of being replaced in the foreseeable future.

Solid government support such as ongoing capital injections and subsidies. JSGL has a track record of receiving government support in the form of capital injections and financial subsidies. As the Company has signed agency agreements for industrial park development projects, the government would allocate the funds to the Company after the audit of projects. It is expected that the Company will receive government project repayments. Overall, we expect JSGL to receive ongoing government support in the next 12-18 months given its strategic role in Rugao City.

Credit Challenges

Increasing debt burden and moderate asset liquidity. JSGL's debt continues to grow and has a relatively high financing leverage due to its capital-intensive and large-scale construction projects in previous years. In addition, there were refinancing needs for its short-term debt, and the cash to short-term debt ratio was around 0.5x. We expected the Company to rely on external financing to meet its capital expenditure and debt repayment and that the debt leverage will remain at a relatively high level in the next 12 to 18 months. JSGL's asset liquidity is moderate. Moreover, As of 30 September 2025, JSGL's restricted assets accounted for 10.5% of the total assets.

Medium exposure to contingent liabilities. JSGL's credit profile is constrained by its external guarantees, which could potentially increase its repayment obligations. All of them were provided to local state-owned enterprises in Rugao City. While credit events could materialize into a contingent liability and pressure JSGL's credit quality, we view the overall risk as manageable considering the possible support from the Rugao City Government to the state-owned enterprises in times of need.

Rating Outlook

The stable outlook on JSGL' rating reflects our expectation that the local government's capacity to provide support will remain stable, and the Company will maintain its important role in the development of Rugao City over the next 12-18 months.

What could upgrade the rating?

The rating could be upgraded if (1) the local government's ability to provide support strengthens; or (2) the Company's characteristics change in a way that strengthens the local government's willingness to provide support, such as improved debt management and financing capacity.

What could downgrade the rating?

The rating could be downgraded if (1) the local government's ability to provide support weakens; or (2) the Company's characteristics change in a way that decreases the local government's willingness to provide support, such as reduced policy significance or deteriorated debt management.



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

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