CCXAP assigns A_g+ to Taizhou Guokong Investment Group Co., Ltd.'s existing CNY green bonds.

Hong Kong, 30 October 2026 – China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP") has assigned senior unsecured debt rating of A_g+ to the existing CNY bonds (ISIN: XS3509256353) issued by Huaxin Pharmaceutical (Hong Kong) Co., Limited, an indirect wholly-owned subsidiary of Taizhou Guokong Investment Group Co., Ltd. ("TGIG" or the "Company") (A_g+/Stable), and to be unconditionally and irrevocably guaranteed by TGIG.

Under the unconditional and irrevocable guarantee, the proposed bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of TGIG, which shall at all times at least rank pari passu with all its other present and future unsecured and unsubordinated obligations. The Company intends to use the net proceeds to repay the existing medium- to long-term offshore indebtedness due from December 2026 to January 2027 and in accordance with the Green Finance Framework.

Corporate Profile

Established in 2021, TGIG is one of the key municipal-level local infrastructure investment and financing companies ("LIIFCs") in Taizhou City, Jiangsu Province. In 2023, as part of the state-owned enterprise ("SOE") reform, Taizhou State-owned Assets Supervision and Administration Commission ("Taizhou SASAC") transferred controlling interests in Taizhou Huaxin Pharmaceutical Investment Co., Ltd. ("Huaxin") and Jiangsu Taizhou Port Core Port Area Investment Co., Ltd. ("Core Port") to TGIG and injected RMB3.0 billion in cash, consolidating the two entities as key operating subsidiaries. As a key municipal-level SOE, TGIG undertakes infrastructure construction, land development, public-service facilities and industrial support in Taizhou's new urban center, high-speed railway hub area, and Taizhou Medical High-tech Zone. It also engages in commodity sales, property leasing and sales, container-terminal operations, and other commercial activities. As of 30 June 2026, the Company was wholly owned and ultimately controlled by the Taizhou SASAC.

Rating Rationale

TGIG's senior unsecured debts rating is equivalent to its long-term credit rating. We believe that government support will flow through the Company given its strategic position in the development of Taizhou City, thereby mitigating any differences in an expected loss that could result from structural subordination.

The Ag+ long-term credit rating of TGIG reflects Taizhou Municipal Government's (1) very strong capacity to provide support; and (2) extremely high willingness to provide support based on our assessment of the Company's characteristics. Our assessment of Taizhou Municipal Government's capacity to provide support reflects its established industrial base and continuous economic growth.

The rating also reflects the local government's willingness to provide support, which is based on the Company's (1) status as a key state-owned asset operation entity with a clear functional

mandate in Taizhou City; (2) diversified access to funding; and (3) good track record of receiving government support. However, the rating is constrained by its (1) moderate exposure to commercial activities; (2) relatively high debt burden and modest asset liquidity; and (3) large exposure to external guarantees with contingent liability risks.

Rating Outlook

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

What could upgrade the rating?

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

What could downgrade the rating?

The rating could be downgraded if (1) the local government's capacity to provide support weakens; or (2) the Company's characteristics change in a way that weakens the local government's willingness to provide support, such as a material decline in its policy importance, a significant reduction in government supports, or material deterioration in 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

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