CCXAP assigns A_g to Fujian Zhangzhou City Investment Group Co., Ltd.'s proposed RMB sustainable bonds.

Hong Kong, 26 November 2026 – China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP") has assigned senior unsecured debt rating of A_g to the proposed RMB sustainable bonds to be issued by Fujian Zhangzhou City Investment Group Co., Ltd. ("ZCIG" or the "Company", A_g/stable).

The bonds will constitute direct, unconditional, unsubordinated, and unsecured obligations of ZCIG, 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 and/or refinance the Eligible Green/Social Projects in accordance with Sustainable Finance Framework.

Corporate Profile

Established in 2014, ZCIG is one of the most important local infrastructure investment and financing companies in Zhangzhou City, focusing on urban infrastructure construction and affordable housing development. The Company also engages in some commercial activities such as commodity sales, property development, as well as property and security services. As of 30 June 2026, the State-owned Assets Supervision and Administration Commission of Zhangzhou Municipal Government ("Zhangzhou SASAC") held 90% of the Company's shares, while Fujian Provincial Department of Finance held the remaining 10%. Zhangzhou SASAC is the Company's ultimate controlling shareholder.

Rating Rationale

The senior unsecured debt rating of the bonds is equivalent to ZCIG's long-term credit rating. We believe that the government support will flow through the Company given the Company's important role in infrastructure construction in Zhangzhou City, thereby mitigating any differences in expected loss that could result from structural subordination.

The A_g long-term credit rating of ZCIG reflects (1) Zhangzhou Municipal Government's very strong capacity to provide support; and (2) the local government's extremely high willingness to provide support, based on our assessment of the Company's characteristics. Our assessment of Zhangzhou Municipal Government's capacity to support reflects the Zhangzhou City's economic importance in Fujian Province and geographical advantages, with ongoing economic growth.

The rating also reflects the local government's willingness to support, which is based on the Company's (1) important infrastructure construction entity in Zhangzhou City; (2) high sustainability of infrastructure construction business; and (3) track record of receiving government support. However, the rating is constrained by the Company's (1) medium exposure to commercial business activities; (2) rapid debt growth and high short-term repayment pressure; and (3) weak asset liquidity.

Rating Outlook

The stable outlook on ZCIG's rating reflects our expectation that for the next 12 to 18 months, the Company will maintain its important role in infrastructure construction in Zhangzhou City, and Zhangzhou Municipal Government's capacity to provide support will remain stable.

What could upgrade the rating?

The rating could be upgraded if (1) Zhangzhou Municipal Government's capacity to support strengthens; and (2) the Company's characteristics change in a way that strengthens the local government's willingness to support, such as stronger importance of its policy role, or improved debt management.

What could downgrade the rating?

The rating could be downgraded if (1) Zhangzhou Municipal Government's capacity to support weakens; or (2) the Company's characteristics change in a way that weakens the local government's willingness to support, such as decrease in importance of its policy role, 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

CCXAP's Rating Symbols and Definitions are available on its website at:
http://www.ccxap.com/en/rating_services/category/6/

This rating is solicited. Please refer to CCXAP's Policy for designating and assigning Solicited and Unsolicited Credit Ratings available on its website at:
http://www.ccxap.com/en/rating_services/category/9/

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.

CCXAP considers a rated entity or its related party to be participating when it maintains an overall relationship with CCXAP. Unless specifically noted in the Regulatory Disclosures as a non-participating entity, the rated entity or its related party is participating and the rated entity or its related party generally provides CCXAP with information for the purposes of its rating process.

Regulatory disclosures contained here apply to press release, rating report, and if applicable, the related rating outlook or rating review.

CCXAP's public ratings are available at www.ccxap.com (Rating Results) and may be distributed through media and other means.

The first name below is the lead rating analyst for this rating and the last name below is the person primarily responsible for approving this rating.

Peter Chong
Associate Director of Credit Ratings
+852-2860 7124
peter_chong@ccxap.com

Elle Hu
Managing Director & Rating Director
+852-2860 7120
elle_hu@ccxap.com

Client Services: +852-2860 7111

Copyright © 2026 China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP"). All rights reserved.

No part of this publication may be reproduced, resold or redistributed in any form or by any means, without prior written permission of CCXAP.

A credit rating is the analytical result of current credit worthiness and forward-looking opinion on the credit risk of a rated entity or a debt issue. Credit ratings issued by CCXAP are opinions on the current and relative future credit risk of the rated entities or debt issues, but do not address any other risks, including but not limited to liquidity risk, market price risk, and interest rate risk.

Credit ratings, non-credit assessments, and other opinions included in CCXAP's publications are not recommendations for investors to buy, sell, or hold particular securities, nor measurements of market value of the rated entities or debt issues. While obtaining information from sources it believes to be reliable, CCXAP does not perform audit and undertakes no duty of independent verification or validation of the information it receives from the rated entities or third-party sources.

All information contained herein belongs to CCXAP and is subject to change without prior notice by CCXAP. CCXAP considers the information contained herein to be accurate and reliable. However, all information is provided on an "as is" and "as available" basis and CCXAP does not guarantee accuracy, adequacy, completeness, or timeliness of the information included in CCXAP's publications.

To the extent where legally permissible, CCXAP and its directors, officers, employees, agents and representatives disclaim liability to any person or entity (i) for any direct or compensatory losses or damages, including but not limited to by any negligence on the part of, and any contingency within or beyond the control of CCXAP or any of its directors, officers, employees, agents or representatives, arising from or in connection with the information contained herein or the use of or inability to use any such information; and (ii) for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if CCXAP or any of its directors, officers, employees, agents or representatives is advised in advance of the possibility of such losses or damages.

China Chengxin (Asia Pacific) Credit Ratings Company Limited

Address: Suites 1904-1909, 19/F, Jardine House,
1 Connaught Place, Central, Hong Kong

Website: www.ccxap.com

Email: info@ccxap.com

Tel: +852-2860 7111

Fax: +852-2868 0656