鵬元國際 PENGYUAN

Pengyuan International Assigns 'A-' Rating to China Minmetals Corporation; Outlook Stable

Ratings

Issuer Rating

LT Issuer Credit Rating	A-
Outlook	Stable

Contents

Overview

- Pengyuan International has affirmed the global scale long-term issuer credit rating (LTICR) of 'A-' for China Minmetals Corporation (Minmetals) with a stable outlook.
- Minmetals is China's largest conglomerate in the metals and mining industry as well as in the metallurgical construction and engineering (E&C) industry. Minmetals' issuer credit rating is based on a 'bb+' standalone credit profile and a four-notch upward adjustment from the external support assessment. Given its high strategic importance to the central government regarding safeguarding China's base metals supply, we believe that the central government has a strong willingness to support the Company in the event of financial distress.

Rating Outlook

- The stable outlook reflects our views that the Minmetals will be able to maintain its current operations and that China's sovereign credit profile will remain stable.
- We would consider a rating downgrade if 1) we downgrade our sovereign credit rating of China; 2) substantial evidence shows that the central government's willingness to support the Company weakens in the event of distress; and 3) significant deterioration of the Company's credit profile due to some company-specific or industry-specific conditions, including non-ferrous metals prices, overseas projects risk and the Company's leverage profile, are worse than expected on a prolonged basis.
- We would consider a rating upgrade if we upgrade our sovereign credit rating of China, given that there is no material change in the central government's willingness to support.

Financial Summary

Table 1: Financial Ratios

	2020A	2021A	2022F	2023F	2024F
Debt/EBITDA	5.4x	3.6x	3.5x	3.0x	2.6x
EBITDA Interest Coverage	3.0x	3.9x	4.0x	4.4x	4.7x
Gross Debt/Capitalisation	63.3%	60.9%	56.6%	52.0%	47.7%
FFO/Debt	14.9%	23.2%	19.6%	22.8%	26.4%
OCF/Debt	17.5%	31.1%	12.5%	11.2%	14.0%
FCF/Debt	15.0%	28.5%	9.2%	6.9%	8.6%
DCF/Debt	13.5%	27.3%	8.0%	5.6%	7.1%
EBITDA Margin	7.4%	8.5%	7.3%	7.1%	6.7%
ROIC	7.0%	6.9%	9.3%	9.2%	8.6%

Sources: Company, Pengyuan International

Contacts

Primary Analyst

Name Winnie Guo
Title Director
Direct +852 3615 8344
Email winnie.guo@pyrating.com

Secondary Analyst

Name Leon Li
Title Analyst
Direct +86 755 2348 3867
Email leon.li@pyrating.com

Key Rating Drivers

Credit Strengths

Strong support from the central government. Wholly owned and ultimately controlled by the central State-owned Assets Supervision and Administration Commission (SASAC), Minmetals has been acting as a key platform through which the Chinese government acquires overseas mining resources and safeguards the nation's base metals supply. The central government appointed the Company's key management and provided capital injections and subsidies over the past few years. We believe that the central SASAC has incentives to continuously support the Company given its strong linkage with and strategic importance to the central government.

Large in scale and diversified in business. Minmetals is China's largest integrated conglomerate with a well-diversified business mix spanning from metals and mining, metallurgical engineering and construction, trade and logistics to real estate, and others. In 2021, the Company reported RMB850 billion in revenue and ranked 65th among the Fortune Global 500 companies. The Company is also the world's largest contractor and service provider in metallurgical engineering and construction, with over 60% and 90% global and domestic market share, respectively. We believe that high business diversification helps the Company to reduce its business risks by mitigating its cyclical cash flow from volatile metals and mining business.

On the trend of deleveraging. Benefiting from the Minmetals' effective deleveraging efforts, the Company has cut around RMB32 billion and RMB20 billion in interest-bearing reported debts in 2020 and 2021, respectively, reducing its gross debt to total capitalisation to 60.9% in 2021 from 70.6% in 2018. Driven by higher EBITDA in 2021, the Company's debt to EBITDA ratio dropped to 3.6x in 2021 from 5.4x in 2020, and its EBITDA interest coverage increased to 3.9x in 2021 from 3.0x in 2020. We expect the Company to deleverage further during 2022-2024 given its robust cash flow generation and fairly disciplined capital expenditures. As such, we expect debt to EBITDA to remain at 2.6x-3.5x and gross debt to total capitalization to follow a decreasing trend in 2022-2024.

Credit Weaknesses

Weak profitability. The Company has a low EBITDA margin ranging from 7%-9.5% during 2018-2021. We expect that the Company may face pressures on profitability in the next 12-24 months due to the slowdown in commodity price momentum and the change in the business mix of the engineering construction segment.

High operating risks for overseas projects. The Company has acquired multiple overseas mines and operates in overseas E&C projects, which are subject to the uncertainties of the global politics, economy and local community culture. Thus, the operation of overseas projects may face challenges if overseas uncertainties rise.

Table 2: Key Credit Metrics

(RMB million)	2020A	2021A	2022F	2023F	2024F
Financials and Profitability					
Revenue	703,903	850,156	958,098	1,050,229	1,132,855
EBITDA	52,026	72,005	69,925	74,218	76,215
EBITDA margin	7.4%	8.5%	7.3%	7.1%	6.7%
Return on assets (ROA)	3.0%	3.5%	4.6%	4.8%	4.8%
Return on invested capital (ROIC)	7.0%	6.9%	9.3%	9.2%	8.6%
Cash Flow Measures					
Funds from operations (FFO)	41,624	60,265	47,363	50,353	52,033
Operating cash flows (OCF)	48,994	80,723	30,281	24,800	27,616
Free cash flow (FCF)	42,036	73,836	22,235	15,337	16,932
Discretionary cash flow (DCF)	37,896	70,839	19,235	12,337	13,932
Capital expenditure	6,958	6,887	8,046	9,463	10,684
Balance Sheet Measures					
Cash and liquid investments	130,898	126,687	133,561	147,224	162,876
Excess cash	97,159	90,817	94,586	105,690	118,990
Total debt	377,197	350,102	336,458	326,694	316,046
Adjusted debt	280,038	259,285	241,872	221,004	197,056
Total capitalisation	596,242	575,264	594,733	628,569	663,078
Leverage Measures					
Debt/EBITDA	5.4x	3.6x	3.5x	3.0x	2.6x
EBITDA/Interest expense	3.0x	3.9x	4.0x	4.4x	4.7x
Gross debt/Capitalisation	63.3%	60.9%	56.6%	52.0%	47.7%
FFO/Debt	14.9%	23.2%	19.6%	22.8%	26.4%
OCF/Debt	17.5%	31.1%	12.5%	11.2%	14.0%
FCF/Debt	15.0%	28.5%	9.2%	6.9%	8.6%
DCF/Debt	13.5%	27.3%	8.0%	5.6%	7.1%
Debt/Equity	127.8%	115.2%	91.2%	71.5%	55.7%
FFO/Cash interest expense	2.4x	3.1x	2.7x	3.0x	3.2x

Note: EBITDA and EBITDA margin include cash dividends from equity investment
Sources: Company, Pengyuan International

Business Profile

China's largest integrated conglomerate in metals and mining as well as E&C industry

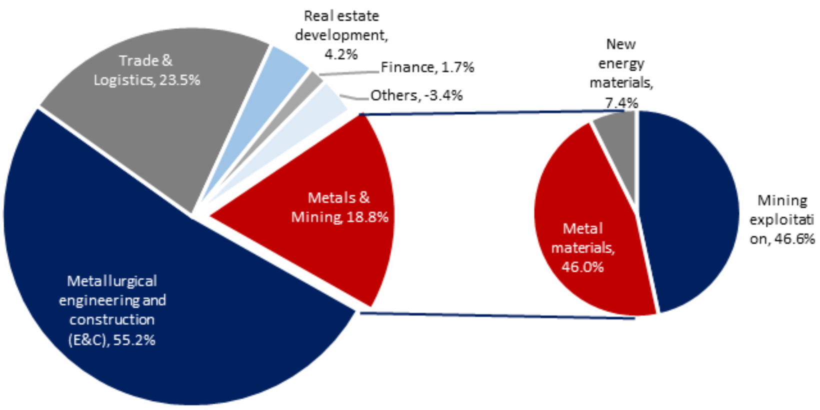
As a group company that was established as a result of the strategic combination of two Fortune Global 500 companies – the former China Minmetals and the China Metallurgical Group Corporation (CMGC), Minmetals is one of the largest metals and mining, and engineering and construction-related companies in the world. In 2021, it ranked 65th among the Fortune Global 500 companies, and its revenue reached RMB850 billion. In the field of metals and mining, the Company has 38 mines in total, including 15 overseas mines located in Asia, Oceania, South America, Africa and other locations. Las Bambas, one of the Company's major overseas mines, is the world's top 10 largest copper mine whose annual output accounts for 2% of global copper supply. In the field of metallurgical engineering construction, China Metallurgical Group Corporation (CMGC), a subsidiary of Minmetals, is the major revenue contributor to the Company's metallurgical engineering construction business. CMGC ranked 6th among global contractors with RMB462.3 billion in contracting revenue in 2021, according to the list of ENP's 2021 Top 10 Global Contractors.

Minmetals also has a strong market position in the metallurgical construction industry. MCC, a subsidiary of CMGC, is the world's largest engineering and construction contractor in the field of metallurgical construction, with a 90% market share in the domestic metallurgical E&C market and a nearly 60% market share in the global market. At present, MCC undertakes the design and construction projects of almost all medium and large-scale steel sites in the world and participates in strategic projects relating to steel capacity transfers, energy conservation and emission reduction due to environmental consideration and industrial upgrade intention. By incorporating its sophisticated technical expertise in metallurgical E&C, MMC expands its business into property and infrastructure construction. MMC has continuously developed its overseas market to keep in step with the national strategy of 'going global', undertaking civil building construction and infrastructure projects while expanding its overseas footprint in the metallurgical E&C sector.

Well-diversified business structure helps mitigate cyclical cash flow from volatile commodity prices

Minmetals' business is well-diversified as it has formed a business system featured by 'four beams and eight columns.' The 'four beams' consist of metals and mining, metallurgical construction, trade and logistics, and finance and real estate. The 'eight columns' are composed of mineral development, metallic materials, new energy materials, metallurgical engineering, basic construction, trade and logistics, financial services, and real estate development. In 2021, the metallurgical E&C sector contributed 55.2% of total revenue and the revenue from the metals and mining sector accounted for 18.8% of the total. The Company operates its E&C business through its subsidiary CMGC which specialises in metallurgical construction and has recently expanded its business to non-metallurgical construction such as property and infrastructure construction. The Company has long been a well-diversified metals and mining company that operates across the whole industry chain from resource acquisition and exploration to project design, construction, operation, distribution and further processing in the global metals and mining sector. We believe that business diversification helps the Company to mitigate cyclical cash flow from volatile metals and mining business, thus minimising its business risks.

Exhibit 1: Minmetals' revenue breakdown (2021)



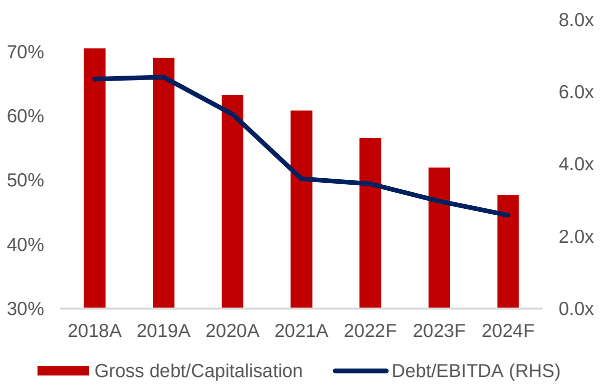
Sources: Companies, Pengyuan International

Financial Profile

Leverage profile continues to improve with a healthier debt structure

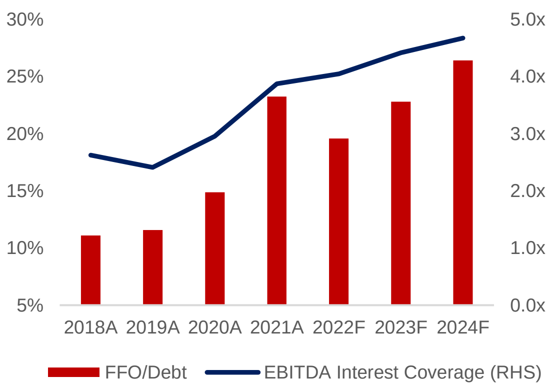
Minmetals' financial leverage has improved consecutively since 2019. Benefiting from Minmetals' effective deleveraging efforts, the Company has cut around RMB32 billion and RMB20 billion in interest-bearing reported debts in 2020 and 2021, respectively, reducing its gross debt to total capitalisation to 60.9% in 2021 from 70.6% in 2018. Driven by higher EBITDA in 2021, the Company's debt to EBITDA ratio dropped to 3.6x in 2021 from 5.4x in 2020, and its EBITDA interest coverage increased to 3.9x in 2021 from 3.0x in 2020, indicating that the Company's debt solvency has improved due to its strong cash flow generation. We expect the Company to deleverage further during 2022-2024 given its robust cash flow generation and fairly disciplined capital expenditures. As such, we expect debt to EBITDA to remain at 2.6x-3.5x and gross debt to total capitalization to follow a decreasing trend in 2022-2024.

Exhibit 2: Leverage Level



Sources: Company, Pengyuan International

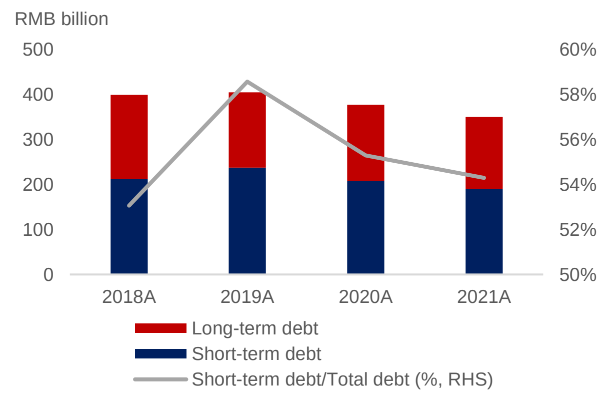
Exhibit 3: FFO/Debt and EBITDA Interest Coverage



Sources: Company, Pengyuan International

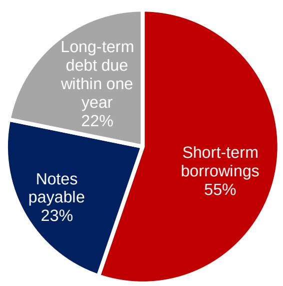
Despite high short-term debt exposure, we saw the Company on track to improve its debt structure. The short-term debt exposure of the Company's total interest-bearing debt dropped consecutively to 54.3% in 2021 from 58.6% in 2019. Despite the fact that the short-term debt exposure exceeded 50%, we believe that the Company's debt structure risk is contained, as 55% of its short-term debts are short-term borrowings from banking channels, which could be easily rolled over compared to other market-driven instruments.

Exhibit 4: Debt Structure



Sources: Company, Pengyuan International

Exhibit 5: Short-term Debt Constitution (2021)



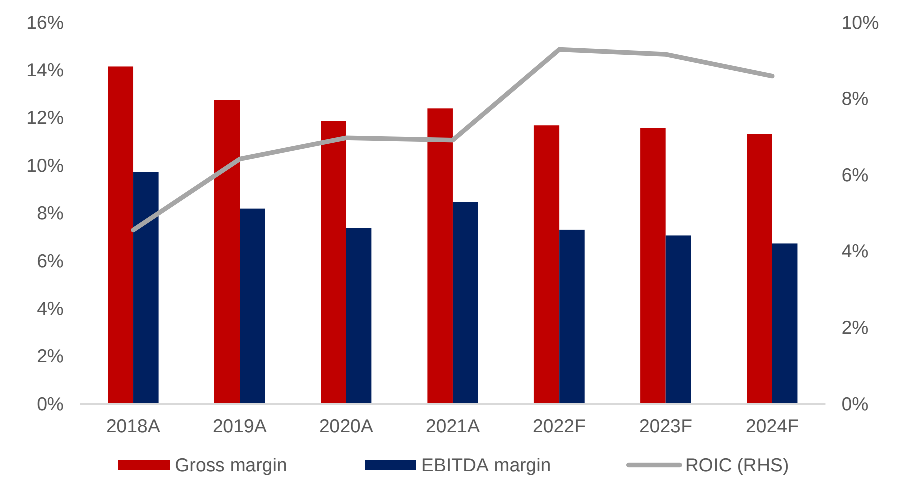
Sources: Company, Pengyuan International

Profitability remains weak and may face pressures thereafter

Minmetals has a low EBITDA margin of 7-9.5%, which deviates far from the average industry profitability over the past few years. This is because Minmetals' less profitable trade and logistics sector, which accounted for 23.5% of the Company's total revenue, drags the Company's total profit margin.

Driven by favourable commodities prices and new energy resources prices, the gross margin in the metal and mining segment increased to 23.4% in 2021 from 18.4% in 2020. On the contrary, because of the increasing competition in the engineering construction industry, we saw a decrease in the gross margin of the metallurgical engineering construction segment from 10.1% in 2020 to 9.3% in 2021. As the improvement in the gross profit margin of the metal and mining segment more than offset the decline in the gross margin of the metallurgical engineering construction segment, the blended gross margin recorded a mild 0.5 percentage point increase in 2021. Thus, the Company's profitability improved with the EBITDA margin increasing to 8.5% in 2021 from 7.4% in 2020. Nevertheless, we estimate the EBITDA margin to drop back to 7%-7.3% in 2022-2023 due to the ease of commodity price momentum and the product mix change in the engineering construction segment.

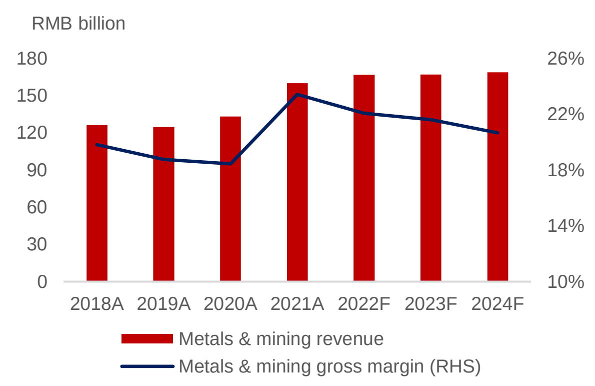
Exhibit 6: Profitability Indicators



Sources: Company, Pengyuan International

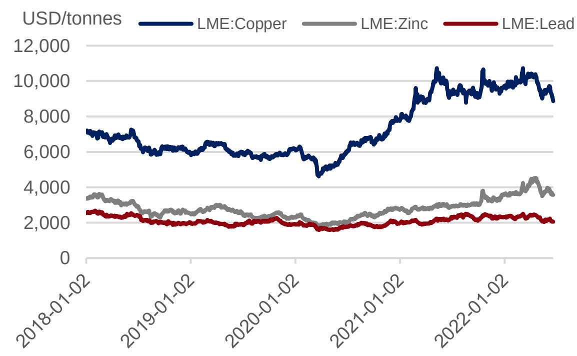
The metal and mining segment's profitability is highly correlated to commodity prices as the Company operates mining and refinery businesses for a variety of non-ferrous metals. We expect that prices of some core non-ferrous metals such as copper, zinc and lead may remain high but with greater volatility in 2022. In addition, we estimate that the copper production growth may be capped by the drag from the Company's overseas Las Bambas mine, which could cause some uncertainties in MMG's operations and earnings due to the local community disruption. We estimate that the metal and mining segment's gross margin may drop to 22.1% in 2022 from 23.4% in 2021.

Exhibit 7: The metals & mining business profitability



Sources: Company, Pengyuan International

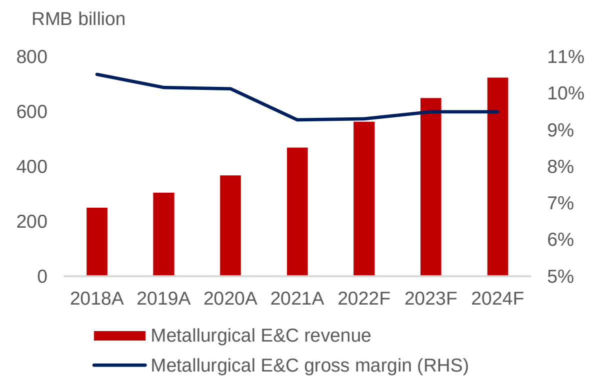
Exhibit 8: LME cash settlement prices of primary base metals



Sources: Wind, Pengyuan International

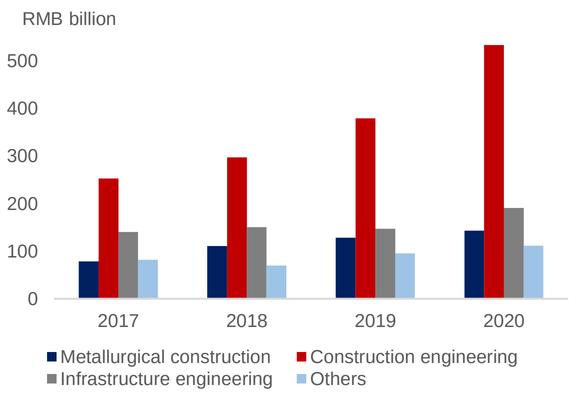
The metallurgical engineering and construction segment has become the Company's largest revenue contributor. The segment's revenue is expected to continue to surge in the next 2-3 years given green technology developments for the steel industry could be a major growth driver for the sector in the coming years. We have also seen an increasing number of newly signed engineering procurement construction (EPC) contracts over the past few years. This will support the growth momentum of the sector in the next 2-3 years. However, we lower our estimate of the gross margin for the engineering contracting business in 2022-2023 in anticipation of high raw material prices and the change in business mix.

Exhibit 9: The metallurgical E&C business profitability



Sources: Company, Pengyuan International

Exhibit 10: Newly signed contract amount of EPR



Sources: Company, Pengyuan International

Government Support

As the largest metals and mining company as well as the largest metallurgical engineering and construction company in China, Minmetals is strategically important to the state. We believe that the central government has a strong willingness to provide support to the Company in the event of financial distress.

- The Company is wholly owned by the central SASAC. The central government appoints the Chairman and General Manager for the Company, thus owning a high degree of control and supervision over the Company's board and management.
- The central government has paved the way for horizontal and vertical consolidations and acquisitions for the Company and provided capital injections and subsidies over the past few years.
- The Company has also been granted abundant credit facilities and access to favourable financing terms from policy banks to support key projects.

- The potential default of the Company would have a considerable impact on the market sentiment for other Chinese government-related entities and would cause a temporary shortage in base materials.

Liquidity

We evaluate that the Company's liquidity is moderate over the next 12 to 24 months, mainly credited to abundant banking facilities. As of the end of March 2021, the Company was granted total banking facilities of RMB1.2 trillion, with unutilised banking facilities of RMB690 billion. The majority of banks with which the Company has business connections are mainly large state-owned banks, policy banks and large-scale joint-stock banks. Thus, we believe that the Company will hold a sufficient cash balance and banking facilities to cover its short-term debt balance over the next 12 to 24 months.

The following key assumptions were made when assessing the Company's liquidity:

- Estimated cash and short-term investments of around RMB126.7 billion in FY2022.
- Projected funds from operations to be about RMB47.4 billion in FY2022.
- Projected net working capital changes of about RMB-1.2 billion in FY2022.
- Estimated short-term debt payment of around RMB190.1 billion in FY2022.
- Estimated cash interest payment of about RMB17.3 billion during FY2022.

Company Background

China Minmetals Corporation, formed through a strategic combination of two former China's SASAC-owned companies, is a diversified conglomerate that engages in metallurgical engineering and construction, and metals and mining businesses. The Company provides metallurgical project contracting, environmental relocation, energy saving and emission reduction, and other engineering services. The Company also explores, mines, processes and distributes metal products worldwide. In 2021, it ranked 65th among the Fortune Global 500 companies with revenue reaching RMB850 billion.

Peer comparison

As Minmetals is traditionally defined as a metals and mining company, we select four domestic participants and two international participants in the metals and mining industry to conduct a peer comparison for the Company. The peers selected are top global metals and mining companies. Aluminum Corporation of China Limited (Chalco) (A-/Stable), China Hongqiao Group Limited (BB-/Stable), Zijin Mining Group Co., Ltd. (BBB-/Stable) and Jiangxi Copper Corporation Limited are among the companies selected within China's domestic market. The two major competitors selected outside China are Freeport-McMoRan Inc. and BHP Group Ltd.

Table 3: Minmetals' peers

Chalco	Aluminum Corporation of China Limited (Chalco) is indirectly owned and directly monitored by the central SASAC. Chalco was incorporated in 2001 in China. The Company is the leading manufacturer in the aluminium industry in China, and integrates the exploration and mining of bauxite, coal, and other resources; production, sales and technology research of alumina, primary aluminium and aluminium alloy products, international trades, logistics business, thermal, and new energy power generation.
Hongqiao	China Hongqiao Group Limited (Hongqiao) is a primary aluminium producer in Shandong. Hongqiao is specialized in thermoelectric, mining, and producing aluminium products. Its diverse product portfolio includes alumina, hot liquid aluminium alloy, aluminium alloy ingots, rolled and cast aluminium alloy products, aluminium busbar, high precision aluminium plates with foil, and new materials. It was listed on the Main Board of the Hong Kong Stock Exchange in 2011.
Zijin Mining	As a sizable multinational mining group, Zijin is principally engaged in the prospecting, exploration and mining of gold, copper, zinc, and other mineral resources globally, and covers refining, processing, trading and other businesses to an optimal extent. Zijin has a relatively complete industrial chain. The Company has relatively widespread geographical locations of its mine projects, having mine reserves in 14 provinces (regions) domestically and 11 countries overseas.
Jiangxi Copper	Jiangxi Copper Corporation Limited was established in 1979 and has grown into China's one of the largest copper cathode producers and a supplier of copper products with great varieties. Headquartered in Nanchang, China, Jiangxi Copper has diversified its business from polymetallic minerals development including copper, gold, silver, rare earth, lead and zinc to trade, financial, logistics field and technical support.
Freeport	Freeport-McMoRan is a leading international mining company with headquarters in Phoenix, Arizona. The Company operates large, long-lived geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum. The portfolio of assets includes the Grasberg minerals district in Indonesia, one of the world's largest copper and gold deposits; and significant mining operations in the Americas, including the large-scale Morenci minerals district in North America and the Cerro Verde operation in South America.
BHP	BHP Group Ltd, formerly BHP Billiton Ltd, is a global resources company headquartered in Melbourne. The Company is a producer of various commodities, including iron ore, metallurgical coal, copper and uranium, primarily in Australia and the Americas. The Company manages product distribution through its global logistics chain, including freight and pipeline transportation.

Sources: Companies, Pengyuan International

鵬元國際 PENGYUAN

Table 4: Key Financials of Minmetals' Peers (2021)

(RMB mn)	CHALCO	Hongqiao	Zijin	Jiangxi Copper	Freeport	BHP	Minmetals
Revenues	269,748	116,743	225,102	442,768	97,937	301,878	850,156
EBITDA	28,914	33,054	34,458	15,879	27,350	190,960	72,005
Funds from operations (FFO)	25,068	24,143	27,913	13,306	16,714	153,664	60,265
Operating cash flows (OCF)	35,803	28,650	26,072	9,032	20,811	110,440	80,723
Free cash flow (FCF)	33,669	28,650	5,924	6,160	34,338	164,162	73,836
Cash and short-term investments	19,178	49,227	17,157	38,851	23,870	94,860	126,687
Debt	91,100	60,351	81,771	53,080	64,874	191,105	350,102
Adjusted debt	80,617	11,123	64,614	14,229	41,004	96,245	259,285
Equity	70,285	92,439	92,897	77,810	66,408	338,687	225,162
Ratios							
Debt/ EBITDA (x)	2.8	0.3	1.9	0.9	1.5	0.5	3.6
FFO/Debt	31.1%	217.0%	43.2%	93.5%	40.8%	159.7%	23.2%
EBITDA interest coverage (x)	6.9	8.8	16.3	7.9	6.6	30.8	3.9
Gross Debt/Total Capitalization	56.4%	58.3%	51.9%	57.7%	60.4%	43.9%	60.9%
OCF/Debt	44.4%	257.6%	40.4%	63.5%	50.8%	114.7%	31.1%
FCF/Debt	41.8%	257.6%	9.2%	43.3%	83.7%	170.6%	28.5%
EBITDA margin	10.7%	28.3%	15.3%	3.6%	27.9%	63.3%	8.5%
ROIC	9.0%	66.2%	26.6%	14.8%	11.0%	24.8%	6.9%
ROA	7.2%	14.2%	14.3%	6.0%	6.5%	16.3%	3.5%

Sources: Companies, Pengyuan International

鹏元國際 PENGYUAN

Rating Scores Summary

Business Profile	**Strong**
Industry and Operation Risk Profile	Strong
Macroenvironment Risk	Low
Financial Profile	**bb-**
Preliminary Leverage Profile	bb
Cash Flow Variations	Neutral
Debt Structure and Financial Policy	Neutral
Financial Volatility	Neutral
Investment	Neutral
Final Leverage Profile	bb
Profitability	Weak
Indicative Credit Score (ICS)	**bb+**
Adjustment Factors	
Corporate Structure and Governance	Neutral
Liquidity	Moderate
Supplementary Analysis	Neutral
Standalone Credit Profile (SACP)	**bb+**
External Support	
Parental Support	NA
Government Support	Strong
Issuer Credit Rating (ICR)	**A-**

Note: ratings mentioned in this report are unsolicited rating.

Related Criteria

General Corporate Rating Criteria (15 March 2018)

Government-Related Entities Rating Criteria (31 August 2018)

Financial Adjustments and Ratio Definitions (07 May 2018)

DISCLAIMER

Unsolicited ratings – non-participative – disclosed and results not affected

Pengyuan Credit Rating (Hong Kong) Company Ltd ("Pengyuan International", "Pengyuan", "the Company", "we", "us", "our") publishes credit ratings and reports based on the established methodologies and in compliance with the rating process. For more information on policies, procedures, and methodologies, please refer to the Company's website www.pyrating.com. The Company reserves the right to amend, change, remove, publish any information on its website without prior notice and at its sole discretion.

All credit ratings and reports are subject to disclaimers and limitations. CREDIT RATINGS ARE NOT FINANCIAL OR INVESTMENT ADVICE AND MUST NOT BE CONSIDERED AS A RECOMMENDATION TO BUY, SELL OR HOLD ANY SECURITIES AND DO NOT ADDRESS/REFLECT MARKET VALUE OF ANY SECURITIES. USERS OF CREDIT RATINGS ARE EXPECTED TO BE TRAINED FOR INDEPENDENT ASSESSMENT OF INVESTMENT AND BUSINESS DECISIONS.

CREDIT RATINGS ADDRESS ONLY CREDIT RISK. THE COMPANY DEFINES THE CREDIT RISK AS THE RISK THAT THE RATED ENTITY MAY NOT MEET ITS CONTRACTUAL AND/OR FINANCIAL OBLIGATIONS AS THEY BECOME DUE. CREDIT RATINGS MUST NOT BE CONSIDERED AS FACTS OF A SPECIFIC DEFAULT PROBABILITY OR AS A PREDICTIVE MEASURE OF A DEFAULT PROBABILITY. Credit ratings constitute the Company's forward-looking opinion of the credit rating committee and include predictions about future events which by definition cannot be validated as facts.

For the purpose of the rating process, the Company obtains sufficient quality factual information from sources which are believed by the Company to be reliable and accurate. The Company does not perform an audit and undertakes no duty of due diligence or third-party verification of any information it uses during the rating process. The Company had access to the accounts and other relevant public documents of the rated entity or its related party. The Company has examined the quality of information used in the rating process in accordance with established process and it is satisfied with the quality of information used.

Users of the Company's credit ratings shall refer to the rating symbols and definitions published on the Company's website. Credit ratings with the same rating symbol may not fully reflect all small differences in the degrees of risk, because credit ratings are relative measures of the credit risk.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY INFORMATION GIVEN OR MADE BY THE COMPANY IN ANY FORM OR MANNER. In no event shall the Company, its directors, shareholders, employees, representatives be liable to any party for any damages, expenses, fees, or losses in connection with any use of the information published by the Company.

The Company reserves the right to take any rating action for any reasons the Company deems sufficient at any time and in its sole discretion. The publication and maintenance of credit ratings are subject to availability of sufficient information.

The Company does not receive compensation for its unsolicited credit ratings. The rated entity did not participate in the rating process. The unsolicited credit rating has been disclosed to the rated entity or to its related party and, following such disclosure, the credit rating result has not been amended before being issued.

The Company reserves the right to disseminate its credit ratings and reports through its website, the Company's social media pages and authorised third parties. No content published by the Company may be modified, reproduced, transferred, distributed or reverse engineered in any form by any means without the prior written consent of the Company.

The Company's credit ratings and reports are not intended for distribution to, or use by, any person in a jurisdiction where such usage would infringe the law. If in doubts, please consult the relevant regulatory body or professional advisor and ensure compliance with applicable laws and regulations.

In the event of any dispute arising out of or in relation to our credit ratings and reports, the Company shall have absolute discretion in all matters relating to resolving the dispute, including but not limited to the interpretation of disclaimers and policies.