Lianhe Global has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Liangshan Development (Holdings) Group Co., Ltd.; Issuer Rating Outlook is Stable

HONG KONG, 6 November 2025 – Lianhe Ratings Global Limited ("Lianhe Global"), an international credit rating company, has affirmed 'BBB' global scale Long-term Issuer Credit Rating of Liangshan Development (Holdings) Group Co., Ltd. ("LDHG" or "the company"); Issuer Rating Outlook is Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the Sichuan Province's Liangshan Yi Autonomous Prefecture Government ("Liangshan government") would provide strong support to LDHG if needed, in light of the Liangshan government's majority ownership in LDHG, LDHG's strategic importance as the sole prefecture-level local investment and development company ("LIDC") responsible for state-owned asset operation, investment and financing in Liangshan Yi Autonomous Prefecture ("Liangshan"), and the linkage between the Liangshan government and LDHG, including supervision of the senior management, strategic alignment and ongoing operational and financial support. In addition, the Liangshan government may face significant negative impact on its reputation, business and financing activities should LDHG encounter any operational or financial difficulties.

Liangshan is an autonomous prefecture located in the southwestern part of Sichuan Province, and it is the major living area of the Yi ethnic group. Its GDP grew steadily by 6.0% to RMB247.5 billion in 2024, while its budgetary revenue increased by 11.6% to RMB22.0 billion during the same period.

The Stable Outlook reflects our expectation that LDHG's strategic importance would remain intact while the Liangshan government will continue to ensure LDHG's stable operation.

Rating Sensitivities

We would consider downgrading LDHG's rating if (1) there is perceived weakening in support from the Liangshan government, particularly due to its reduced strategic importance, or (2) there is a significant reduction of the Liangshan government's ownership of LDHG, or (3) there is a downgrade in our internal credit assessment on the Liangshan government.

We could consider upgrading LDHG's rating if (1) there is strengthened support from the Liangshan government, or (2) there is an upgrade in our internal credit assessment on the Liangshan government.

About Lianhe Global

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local investment and development companies, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

Principal Methodology Applied

China Local Investment and Development Companies Criteria (published on 31 July 2025)
The methodology can be found at the website www.lhratingsglobal.com.

Note: The above Issuer/Issuance Credit Ratings are solicited at the request of the rated entity or a related third party. None of the aforementioned entities nor its related parties participate in the rating process aside from providing information requested by Lianhe Global.

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