

Lianhe Global has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Lunan (Zaozhuang) Economic Development Investment Co., Ltd.; Issuer Rating Outlook Stable

HONG KONG, 15 April 2026 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has affirmed ‘BBB’ global scale Long-term Issuer Credit Rating of Lunan (Zaozhuang) Economic Development Investment Co., Ltd. (“LEDI”). The Outlook remains Stable.

Key Rating Rationales

The Issuer Credit Rating reflects a high possibility that the People’s Government of Zaozhuang City (“Zaozhuang government”) would provide strong support to LEDI if needed, in light of its majority ownership of LEDI, LEDI’s strategic importance as the key local investment and development company responsible for infrastructure construction and state-owned asset operation in Zaozhuang, and the linkage between the Zaozhuang government and LEDI, including supervision of the management and major investment and financing plan decisions, strategic alignment, and ongoing operational and financial support. In addition, we believe that the local government has a strong willingness to ensure LEDI’s business and financial viability in order to safeguard its reputation and local financing activities.

Zaozhuang is a prefecture-level city in Shandong and is located in the southern part of Shandong. Zaozhuang’s GDP grew by 5.7% to RMB250.3 billion in 2025, while its budgetary revenue grew by 4.5% to RMB20.0 billion over the same period.

The Stable Outlook reflects our expectation that LEDI’s strategic importance would remain intact while the Zaozhuang government will continue to ensure LEDI’s stable operation.

Rating Sensitivities

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

We would consider upgrading LEDI’s rating if (1) there is strengthened support from the Zaozhuang government, or (2) if there is an upgrade in our internal credit assessment on the Zaozhuang government.

Full List of Issuance Rating

- USD100 million 6.90% guaranteed bonds due 2028 (‘BBB+’)

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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