Lianhe Ratings Global

Press Release
8 September 2026

Lianhe Global has upgraded the global scale Long-term Issuer Credit Rating of Yunnan Provincial Energy Group Co., Ltd. to ‘A+’ from ‘A’; Issuer Rating Outlook Stable

HONG KONG, 8 September 2026 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has upgraded the global scale Long-term Issuer Credit Rating of Yunnan Provincial Energy Group Co., Ltd. (“YEG”, formerly Yunnan Provincial Energy Investment Group Co., Ltd.) to ‘A+’ from ‘A’; Issuer Rating Outlook Stable.

Key Rating Rationales

The Issuer Credit Rating upgrade reflects the upgrade in our internal credit assessment on the People’s Government of Yunnan Province (“Yunnan government”) and the expectation of a continuing high possibility that the Yunnan government would provide very strong support to YEG if needed. This mainly reflects the government’s majority ownership of YEG, YEG’s strategic importance to Yunnan’s energy development, and the linkage between the Yunnan government and YEG, including supervision of the management and major investment and financing decisions, strategic alignment, and ongoing operational and financial support. In addition, we believe that the local government has a very strong willingness to ensure YEG’s business and financial viability in order to safeguard its reputation and local financing activities.

Yunnan’s GDP grew by 4.1% to RMB3,276.6 billion in 2025, while its budgetary revenue grew by 2.3% to RMB224.3 billion over the same period.

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

Rating Sensitivities

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

We would consider upgrading YEG’s rating if there is an upgrade in our internal credit assessment on the Yunnan 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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