Maoming Port Group Co., Ltd.

Summary	
Issuer Rating	A
Outlook	Stable
Location	China
Industry	Local Investment and Development Companies
Date	21 September 2026

Analysts

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Applicable Criteria

China Local Investment and Development Companies Criteria (31 July 2025)

Lianhe Ratings Global Limited ("Lianhe Global") has assigned 'A' global scale Long-term Issuer Credit Rating to Maoming Port Group Co., Ltd. ("CMMP"); Rating Outlook Stable

Summary

The Issuer Credit Rating reflects a high possibility that the People's Government of Guangdong Province ("Guangdong government") and the People's Government of Maoming City, Guangdong Province ("Maoming government") would provide moderately strong support to CMMP if needed. This mainly considers their full ownership of CMMP and CMMP's strategic importance as the key local investment and development company ("LIDC") that is responsible for port development and operation in Guangdong's Maoming City. The linkage between the local government and CMMP is strong, including management supervision, strategic alignment and ongoing operational and financial support. In addition, we believe the local government has a moderately strong willingness to prevent CMMP from encountering any operational or financial difficulties in order to safeguard its reputation and financing activities.

Maoming is a prefecture-level city in Guangdong Province and a nationally important petrochemical and energy base. Maoming maintained steady GDP growth in the past three years, increasing to RMB410.6 billion in 2025 from RMB399.3 billion in 2023. The Maoming government's budgetary revenue growth also accelerated from 3.2% to 5.4% over the same period, reaching RMB18.7 billion in 2025.

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

Rating Rationale

Government's Ownership and Supervision: The Maoming State-owned Assets Supervision and Administration Commission ("Maoming SASAC") holds 90% shares of CMMP and is CMMP's actual controller. The remaining 10% shares are held by the Finance Department of Guangdong Province ("Guangdong FD"). The local government has strong control and supervision over the CMMP, including senior management appointment, decisions on its strategic development and investment plan and supervision of its major funding decisions. In addition, the local government has assessment mechanism over the company, and it appoints auditors to supervise the operating performance and financial position on a periodic basis.

Strategic Importance and Alignment: CMMP is a key LIDC for port development and operations in Maoming. Its business operations and development are closely aligned with the local government's economic and social development plans. Maoming Port is positioned as an important regional coastal port in Guangdong Province and a key hub within the regional comprehensive transportation system. The company is focusing on the development of Bohe New Port Area, featuring a 300,000-tonne crude oil terminal capable of berthing and unloading Very Large Crude Carriers. This is a strategic port infrastructure project in of Guangdong Province, aiming to strengthen national energy security and meet crude oil demand in South China. In addition, CMMP participates in infrastructure construction in Maoming's Binhai New Area and resource recycling activities in Maoming.

Strong Government Support: CMMP benefits from operational and financial support from the local government. Over the past three years, the local government has provided ongoing financial subsidies to support the company's daily operations. In addition, the local government has injected sizable project funds to directly finance CMMP's port development initiatives. Given the company's strategic importance, we expect the government support to remain intact.

CMMP's Financial and Liquidity Position: CMMP's asset size increased steadily to RMB21.3 billion at end-June 2026 from RMB13.6 billion at end-2023, largely driven by ongoing capital expenditure in Maoming's port development projects. The company's total reported debt (excluding perpetual bonds) also rose to RMB10.8 billion at end-June 2026 from RMB7.5 billion at end-2023 to support its project development. The company's financial leverage (Debt / (Debt + Equity)) stood at 60.8% at end-June 2026.

CMMP faces short-term debt servicing pressure. At end-June 2026, the company held unrestricted cash of RMB1.0 billion, compared to RMB4.5 billion of short-term debt. Nevertheless, CMMP can rely on its diverse funding sources, including bank loans, bond issuances, and operating incomes to support the debt repayment. As of end-2025, the company had total bank facilities of RMB24.9 billion, of which RMB13.5 billion was unused.

Rating Sensitivities

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

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

Operating Environment

Economic Condition of Maoming

Maoming's Economy Condition (RMB billion)	**2023**	**2024**	**2025**
GDP	399.3	404.4	410.6
-Primary industry (%)	18.1	18.4	18.1
-Secondary industry (%)	28.2	28.1	27.3
-Tertiary industry (%)	53.7	53.4	54.5
GDP growth rate (%)	3.8	2.4	3.6
Fixed asset investment growth rate (%)	5.3	-1.7	-2.8
Population (million)	6.3	6.3	6.3

Source: Statistical Bureau of Maoming and Lianhe Global's calculations

Maoming is a prefecture-level city in Guangdong Province and a regional hub in western Guangdong. Known as "China's Southern Oil Capital," it is a nationally important petrochemical and energy base. The city has annual refining capacity of 20 million tonnes and annual ethylene production capacity of 1.1 million tonnes, both among the highest in China.

Maoming maintained steady GDP growth in the past three years, increasing to RMB410.6 billion in 2025 from RMB399.3 billion in 2023. However, fixed asset investment contracted by 1.7% in 2024 and a further 2.8% in 2025, primarily driven by sluggish property investment activity.

Fiscal Condition of Maoming

Maoming's Fiscal Condition (RMB billion)	**2023**	**2024**	**2025**
Budgetary revenue	14.5	15.2	18.7
Budgetary revenue growth rate (%)	3.2	4.2	5.4
Tax revenue	6.9	6.5	9.4
Tax revenue (% of budgetary revenue)	47.3	43.1	50.2
Government fund income	9.1	6.4*	6.5
Transfer payment	41.2	37.7	42.8
Aggregate revenue	**64.9**	**59.3**	**68.0**
Budgetary expenditure	51.3	51.7	53.1
Budget balance[1] (%)	-252.4	-241.1	-184.5
Government debt ratio (%)	124.5	169.5	176.9

*[1] Budget balance = (1-budgetary expenditure / budgetary revenue) * 100%*
Source: Finance Bureau of Maoming and Lianhe Global's calculations
**Land transfer revenue*

The Maoming government's budgetary revenue growth accelerated from 3.2% in 2023 to 5.4% in 2025. However, its revenue scale remained relatively small, reaching RMB18.7 billion in 2025 and ranking 12th among Guangdong's 21 prefecture-level cities. Although fiscal self-sufficiency improved, the budget deficit remained high at 184.5% in 2025, down from 252.4% in 2023. It therefore remained highly reliant on higher-level transfer payments, which amounted to RMB42.8 billion in 2025.

The Maoming government's outstanding debt continued to increase over the past three years, mainly driven by the issuance of special-purpose bonds to support local public projects. Outstanding debt rose to RMB120.4 billion at end-2025 from RMB80.7 billion at end-2023. As a result, the government debt ratio, measured by total government debt to aggregate revenue, further increased to 177.0% from 124.5% over the same period.

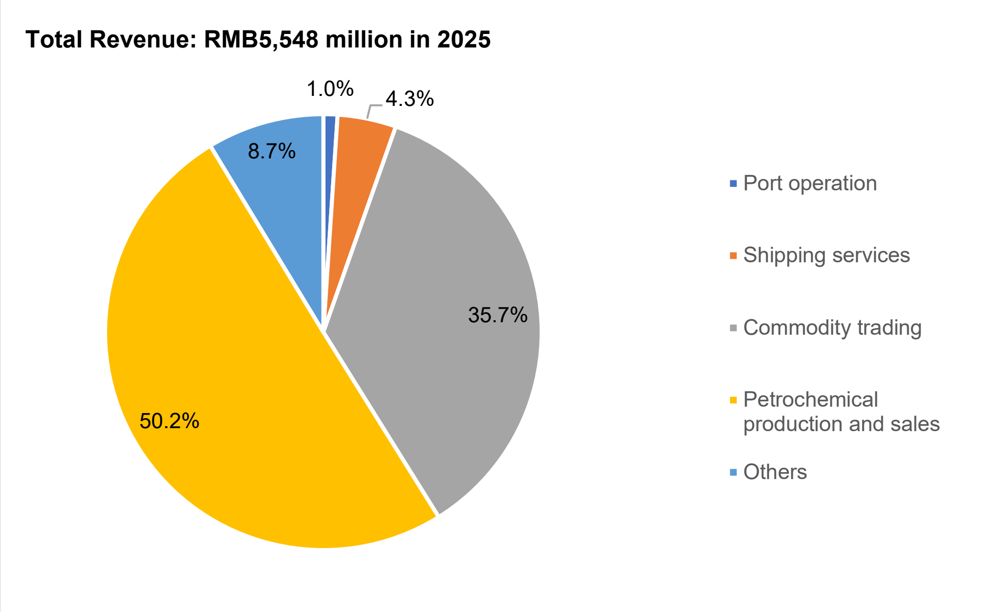
Company Profile

Ownership Structure

CMMP was established in 2004 with registered capital of RMB36.8 million. Following a series of capital injections and equity transfers, its paid-in capital increased to RMB2.2 billion by end-June 2026. The Maoming SASAC, the company's actual controller, held a 90% stake, while the Guangdong FD held the remaining 10%.

Revenue Breakdown

CMMP is a key LIDC for port development and operations in Maoming. It also undertakes city infrastructure in Maoming Binhai New Area and participates in shipping, commodity trading and resource recycling businesses. CMMP's revenue expanded significantly from RMB 2.0 billion in 2023 to RMB 4.5 billion in 2024 and RMB 5.5 billion in 2025; however, core profitability remained constrained with gross margin low at 1.5%–2.0% due to thin-margin trading operations, leaving earnings heavily reliant on state support as government subsidies totaled RMB879 million over the same period.



Source: The company and Lianhe Global's calculations

Maoming Port comprises three main port areas: Shuidong, Bohe New Port, and Jida. Shuidong functions as the legacy area, while Jida serves as a reserve for future development. Bohe New Port is the key development area and is being phased into operation with large-scale, specialized deep-water terminals tailored for petrochemicals, energy, and equipment manufacturing. It is expected to become the port's core operational hub and a vital integrated logistics node in western Guangdong.

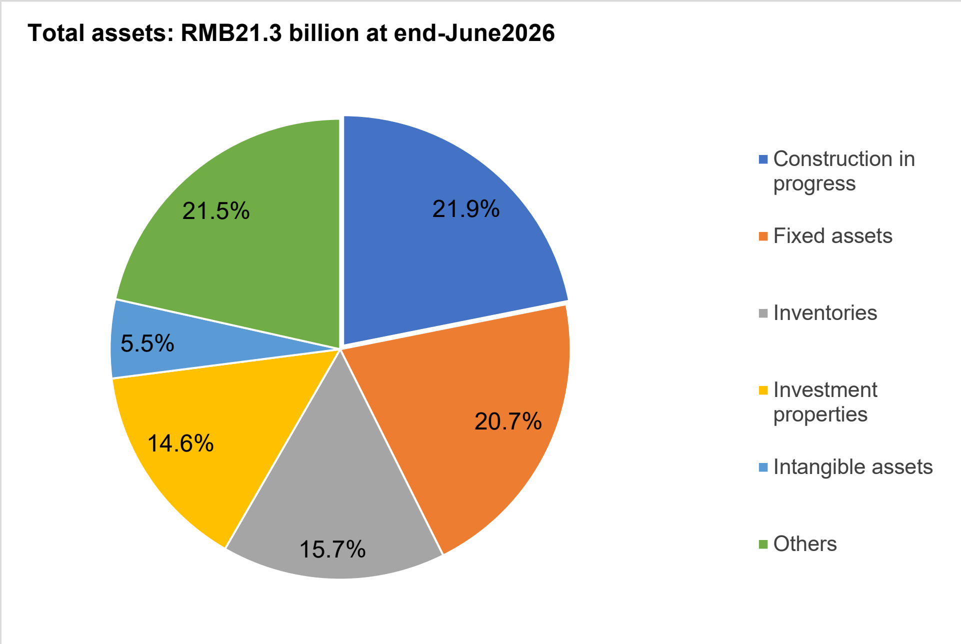
CMMP currently operates terminals in the Shuidong and Bohe New Port areas. Its attributable annual designed throughput capacity totaled 13.84 million tonnes at end-2025 and is expected to increase to 15.88 million tonnes by end-2026 and 32.38 million tonnes by end-2027. CMMP's port services include stevedoring, storage, mooring, anchorage and other ancillary services. The main cargo handled consists of natural gas and related products, grain, steel and mineral-based construction materials.

CMMP's port operation revenue was small due to the limited capacity of the Shuidong Port Area but should grow as Bohe New Port ramps up. Its flagship 300,000-tonne crude oil terminal is expected to begin operations between end-2026 and early 2027, serving major local petrochemical companies including Maoming Petrochemical, one of the largest refining and chemical giants in South China. However, throughput growth will depend on downstream demand and may be disrupted by geopolitical tensions affecting crude oil trade and shipping.

In addition to port operations, CMMP engages in trading and shipping activities, primarily covering petrochemical and metal products. Despite their sizable revenue contribution, these businesses have very low gross profit margins. The company has also expanded into resource recycling business, covering hazardous and solid waste treatment, waste electrical and electronic equipment dismantling, and end-of-life vehicle recycling.

Since 2024, CMMP has accumulated a total 29.8% stake in Maoming Petro-Chemical Shihua Co., Ltd. ("MPCSH", 000637.SZ), becoming its controlling shareholder and consolidating its financials. MPCSH is Maoming's sole A-share listed company operates in petrochemicals and cultural tourism sectors, but weak product demand resulted in net losses of RMB 89 million in 2024 and RMB 160 million in 2025.

Assets Breakdown



Source: The company and Lianhe Global's calculations

CMMP's asset liquidity is moderate. As of end-June 2026, fixed assets, construction in progress (mainly port projects) and inventories (mainly land parcels to be developed) contributed majority of the company's total assets, which typically require an extended period to monetize due to prolonged project development and cash collection cycles. Furthermore, given MPCSH's ongoing operational headwinds, the goodwill recognized from the acquisition of MPCSH is subject to impairment risk.

CMMP supports its port development projects through debt borrowings and government project funds, which has totaled RMB 1,199 million by end-2025. The company's financial leverage dropped to 60.8% at end-June 2026 from 67.5% at end-2025, driven by the new issuance of perpetual bonds. However, on an adjusted basis, reclassifying RMB 2.7 billion of perpetual bonds from equity to debt, financial leverage reached 76.0%.

Key Financial Data

(RMB million)	2023	2024	2025	2026.6
Total Assets	13,571	19,284	20,651	21,327
Equity	3,900	5,412	5,503	6,961
Debt	7,499	9,653	11,456	10,805
Debt / (Debt + Equity) (%)	65.8	64.1	67.5	60.8
Unrestricted cash/ST Debts (x)	0.5	0.4	0.2	0.2
Debt/EBITDA (x)	32.9	21.7	19.9	-
Revenue	2,024	4,497	5,548	3,199
Gross Margin (%)	2.0	1.6	1.9	2.7
Cash from sales or services/ revenue (%)	110.9	106.8	107.1	103.6

Source: The company and Lianhe Global's calculations

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