

## **CCXAP affirms Gansu Province Electric Power Investment Group Co., Ltd.'s A<sub>g</sub>- long-term credit rating, with stable outlook.**

Hong Kong, 4 February 2026 – China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) has affirmed the long-term credit rating of A<sub>g</sub>- of Gansu Province Electric Power Investment Group Co., Ltd. (“Gansu Power” or the “Company”), with a stable outlook.

The A<sub>g</sub>- long-term credit rating of Gansu Power is underpinned by the Company’s (1) strong regional market position in the power generation sector of Gansu Province; (2) diversified power structure, with increased installed capacity; (3) strong profitability due to decreased fuel costs and increased power generation; and (4) good access to diversified funding channels. However, the rating is constrained by the Company’s (1) vulnerability to electricity tariffs and coal prices; and (2) moderate debt leverage with high capital expenditure pressure.

The rating also reflects our expectation of a high likelihood of support from the Gansu Provincial Government, given Gansu Power’s (1) direct ownership by the Gansu Provincial State-owned Asset Investment Group Co., Ltd. and ultimate control by the Gansu SASAC; (2) high strategic importance in the regional economic development and power supply; and (3) solid track record of receiving government support, including project support and financial subsidies.

### **Corporate Profile**

Founded in 1990, Gansu Power is a leading electric power investment enterprise in Gansu Province. The Company was established with the initial aim of providing electricity power and easing the power shortage in Gansu Province through the construction and operation of power plants and power projects. Gansu Power’s other businesses mainly include public welfare business and data information. As of 30 September 2025, Gansu Provincial State-owned Assets Investment Group Co., Ltd. directly held 100% of the Company’s shares and Gansu State-owned Assets Supervision and Administration Commission (“Gansu SASAC”) was its ultimate controlling shareholder.

### **Rating Rationale**

#### **Credit Strengths**

**Strong regional market position in the power generation sector of Gansu Province.** Gansu Power is one of the most important state-owned power suppliers in Gansu Province, with strong market position in the power sector of the region. The Company is responsible for the investment, financing, construction, and management of provincial power generation projects. Benefiting from the completion of thermal power construction projects, the Company became the largest total installed capacity holder in Gansu Province. We believe the Company will maintain a strong market position in the region in the foreseeable future.

**Diversified power structure, with good operating efficiency and increased installed capacity.** Gansu Power’s electric power investment mainly focuses on thermal power and hydropower projects, and the Company has also strategically diversified its power structure to

include other clean energy such as wind power and solar power, with an aim of increasing power generated from clean and renewable sources. Diversified power structure can hedge industry risks and operation risks arising from environment changes and industry fluctuations. Moreover, the completion of thermal power plant projects significantly increased the Company's installed capacity and thereby improved its power generation capacity.

**Strong profitability due to decreased fuel costs and increased power generation.** Benefited by the decreased fuel costs and increased power generation, the Company's profitability remained strong. Given the completion of two major thermal power construction project, we expect that the Company's revenue and earnings will maintain moderate growth in the next 12 to 18 months, given the continuous increase in operating scale and efficiency from the construction projects.

**Good access to diversified funding channels.** Gansu Power has diversified sources of funding including bank loans, onshore and offshore bonds, and equity financing. The Company maintains good relationships with policy banks such as China Development Bank and large domestic banks such as China Construction Bank. As of 30 September 2025, the Company's total credit facilities amounted to RMB114.1 billion, with unutilized facilities of approximately RMB74.9 billion. The Company also has access to debt capital markets. Besides, Gansu Power has equity financing channels by holding approximately 63.2% of equity interests in GEPIC Energy Development Co., Ltd. ("GEPIC Energy", Stock code: 000791.SZ).

**High likelihood of government support from Gansu Provincial Government.** We expect a high likelihood of government support from the Gansu Province Government provided to Gansu Power. This expectation incorporates our considerations of the Company's (1) direct ownership by the Gansu Provincial State-owned Asset Investment Group Co., Ltd. and ultimate control by the Gansu SASAC; (2) high strategic importance in the regional economic development and power supply; and (3) solid track record of receiving government support, including project support and financial subsidies.

#### Credit Challenges

**Vulnerability to electricity tariffs and coal prices.** Gansu Power's power generation businesses mainly focus on thermal power, which has known negative effects on the environment. In recent years, the central government has enhanced environmental protection policies and heightened clean development of thermal power. Furthermore, a majority of the Company's power plants are fueled by coal. Therefore, its operations and profitability are also directly affected by the availability and coal costs.

**Moderate debt leverage with high capital expenditure pressure.** Gansu Power's debt leverage maintains at a moderate level, although its debt burden has slightly reduced due to the intensified repayment of debt. The Company's total debt decreased from RMB46.3 billion at end-2023 to RMB44.0 billion as of 30 September 2025, while its total capitalization ratio decreased from 55.2% to 51.5% over the same period. The projects under construction or planning can enhance its operating scale and efficiency after completion of construction, but also exert a certain level of capital expenditure pressure to the Company.



## Rating Outlook

The stable outlook on Gansu Power's rating reflects our expectation that the willingness and ability of the local government to provide support to the Company is unlikely to change, and that the Company will sustain its solid market position in the power sector of Gansu Province in the next 12 to 18 months.

### What could upgrade the rating?

The rating could be upgraded if (1) the business environment further improves as supported by preferential government policies; (2) the Company strengthens business profile in terms of scale and diversification; (3) the Company's operating profitability continues to improve; and (4) the Company lowers its debt leverage and improves its liquidity position.

### What could downgrade the rating?

The rating could be downgraded if (1) the business environment is adversely changed, and the current preferential policies are no longer effective; (2) the Company's revenue declines, and profitability deteriorates significantly; (3) the Company's liquidity buffer squeezes; or (4) the Company's credit metrics deteriorate significantly.

## Rating Methodology

The methodology used in this rating is the [Rating Methodology for Electric Utilities Industry \(April 2018\)](#).

## Regulatory Disclosures

CCXAP's Rating Symbols and Definitions are available on its website at:

[http://www.ccxap.com/en/rating\\_services/category/6/](http://www.ccxap.com/en/rating_services/category/6/)

This rating is solicited. Please refer to CCXAP's Policy for designating and assigning Solicited and Unsolicited Credit Ratings available on its website at:

[http://www.ccxap.com/en/rating\\_services/category/9/](http://www.ccxap.com/en/rating_services/category/9/)

The rating has been disclosed to the rated entity or its related party prior to publication, and issued with no amendment resulting from that disclosure.

CCXAP considers a rated entity or its related party to be participating when it maintains an overall relationship with CCXAP. Unless specifically noted in the Regulatory Disclosures as a non-participating entity, the rated entity or its related party is participating and the rated entity or its related party generally provides CCXAP with information for the purposes of its rating process.

Regulatory disclosures contained here apply to press release, rating report, and if applicable, the related rating outlook or rating review.



CCXAP's public ratings are available at [www.ccxap.com](http://www.ccxap.com) (Rating Results) and may be distributed through media and other means.

The first name below is the lead rating analyst for this rating and the last name below is the person primarily responsible for approving this rating.

*Peter Chong*  
*Associate Director of Credit Ratings*  
+852-2860 7124  
[peter\\_chong@ccxap.com](mailto:peter_chong@ccxap.com)

Elle Hu  
*Executive Director of Credit Ratings*  
+852-2860 7120  
[elle\\_hu@ccxap.com](mailto:elle_hu@ccxap.com)

Client Services: +852-2860 7111



Copyright © 2026 China Chengxin (Asia Pacific) Credit Ratings Company Limited ("CCXAP"). All rights reserved.

No part of this publication may be reproduced, resold or redistributed in any form or by any means, without prior written permission of CCXAP.

A credit rating is the analytical result of current credit worthiness and forward-looking opinion on the credit risk of a rated entity or a debt issue. Credit ratings issued by CCXAP are opinions on the current and relative future credit risk of the rated entities or debt issues, but do not address any other risks, including but not limited to liquidity risk, market price risk, and interest rate risk.

Credit ratings, non-credit assessments, and other opinions included in CCXAP's publications are not recommendations for investors to buy, sell, or hold particular securities, nor measurements of market value of the rated entities or debt issues. While obtaining information from sources it believes to be reliable, CCXAP does not perform audit and undertakes no duty of independent verification or validation of the information it receives from the rated entities or third-party sources.

All information contained herein belongs to CCXAP and is subject to change without prior notice by CCXAP. CCXAP considers the information contained herein to be accurate and reliable. However, all information is provided on an "as is" and "as available" basis and CCXAP does not guarantee accuracy, adequacy, completeness, or timeliness of the information included in CCXAP's publications.

To the extent where legally permissible, CCXAP and its directors, officers, employees, agents and representatives disclaim liability to any person or entity (i) for any direct or compensatory losses or damages, including but not limited to any negligence on the part of, and any contingency within or beyond the control of CCXAP or any of its directors, officers, employees, agents or representatives, arising from or in connection with the information contained herein or the use of or inability to use any such information; and (ii) for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if CCXAP or any of its directors, officers, employees, agents or representatives is advised in advance of the possibility of such losses or damages.

**China Chengxin (Asia Pacific) Credit Ratings Company Limited**

Address: Suites 1904-1909, 19/F, Jardine House,  
1 Connaught Place, Central, Hong Kong

Website: [www.ccxap.com](http://www.ccxap.com)

Email: [info@ccxap.com](mailto:info@ccxap.com)

Tel: +852-2860 7111

Fax: +852-2868 0656