MOODY'S
RATINGS

Rating Action: Moody's Ratings affirms Petroperu's Caa1 ratings; positive outlook

18 Sep 2026

New York, September 18, 2026 -- Moody's Ratings (Moody's) has affirmed Petroleos del Peru - Petroperu S.A.'s ("Petroperu") Caa1 Corporate Family Rating (CFR) and Caa1 senior unsecured ratings. At the same time, we affirmed Petroperu's Baseline Credit Assessment (BCA) at ca and changed the outlook to positive from negative.

RATINGS RATIONALE

The affirmation of Petroperu's ca BCA and Caa1 ratings reflects the company's highly leveraged capital structure, weak standalone credit profile and continued dependence on extraordinary government support. At the same time, the change in outlook to positive reflects the demonstrated willingness of the Government of Peru (Baa1 stable) to support Petroperu through the recently completed $475 million bridge loan financing, which will improve the company's liquidity profile and support the normalization of working capital and operating activities, as well as the company's progress toward securing longer-term financing.

We expect that the bridge financing will improve liquidity and support the payment of critical supplier obligations, working capital requirements and crude oil procurement. The financing will allow Petroperu to normalize supplier relationships and increase feedstock availability for the Talara refinery, supporting operational continuity and improved operating performance. The financing benefits from support mechanisms involving the Ministry of Energy and Mines that, in our view, provide further evidence of the Peruvian government's willingness to support Petroperu when needed. While the recent financing transaction improves liquidity and funding visibility, Petroperu still faces the challenge of restoring sustainable profitability and strengthening its competitive position in Peru's fuels market.

Petroperu's Caa1 ratings continue to incorporate Moody's Joint Default Analysis assumptions of a high level of default correlation between the Government of Peru and Petroperu, and a high likelihood of extraordinary support from the sovereign if needed, resulting in three notches of uplift from the company's ca BCA. Given the strong linkages between Petroperu and the Government of Peru, governance considerations remain relevant to the rating assessment.

The positive outlook reflects our expectation that the company's improved liquidity position, continued government support and expected longer-term financing will support a gradual strengthening of its credit profile over the next 12-18 months. The outlook also incorporates our expectation that improved ability to fund working capital will contribute to a recovery in operating performance, including positive EBITDA generation, improved cash flow generation and a gradual recovery of market share.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

An upgrade of Petroperu's ratings could occur if the company demonstrates a sustained improvement in its financial profile, supported by a more sustainable capital structure, stronger liquidity, lower refinancing risk and evidence of improved operating performance. Positive rating pressure could also develop if Petroperu achieves sustained positive EBITDA generation, improves cash flow metrics and demonstrates a recovery of its market position while maintaining adequate access to funding and government support.

Because Petroperu's ratings are highly dependent on support from the Government of Peru, a change in our assumptions regarding the availability or timeliness of such support could lead to a downgrade. Downward rating pressure could also emerge if liquidity weakens, refinancing risks increase, operating performance remains materially below expectations, or if Petroperu is unable to achieve a recovery in profitability and market position. A downgrade of the Govenment of Peru's Baa1 rating would likely result in a downgrade of Petroperu's ratings.

COMPANY PROFILE

Petroperu is a 100% Peruvian government-owned company founded in 1969, focused primarily on refining oil and selling oil products in Peru. As of January 2026, the Ministry of Energy and Mines owns 40% of the company and the Ministry of Economy and Finance owns the remaining 60%. Petroperu's total throughput capacity is 122.5 thousand barrels per day.

The methodologies used in these ratings were Refining and Marketing published in February 2026 and available at https://ratings.moodys.com/rmc-documents/458953, and Government-related Issuers published in May 2025 and available at https://ratings.moodys.com/rmc-documents/443641. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of these methodologies.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

These ratings are solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website https://ratings.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

At least one ESG consideration was material to the credit rating action(s) announced and described above. Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at https://ratings.moodys.com/documents/PBC_1462204.

The Global Scale Credit Rating(s) discussed in this Credit Rating Announcement was(were) issued by one of Moody's affiliates outside the EU and UK and is(are) endorsed for use in the EU and UK in accordance with the EU and UK CRA Regulation.

Please see https://ratings.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on https://ratings.moodys.com for additional regulatory disclosures for each credit rating.

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