

China Great Wall AMC (International) Holdings Company Limited

Summary

| | |
|---------------|---------------------|
| Issuer Rating | AA |
| Outlook | Stable |
| Location | China |
| Industry | Investment Holdings |
| Date | 21 May 2026 |

Lianhe Global has upgraded the global scale Long-term Issuer and Issuance Credit Rating of China Great Wall AMC (International) Holdings Company Limited (“Great Wall Intl”) to ‘AA’ from ‘AA-’; Issuer Rating Outlook Revised to Stable

Summary

The Issuer Rating upgrade reflects an upgrade in our credit rating on China Great Wall Asset Management Co., Ltd. (“China Great Wall”) and the expectation of a continued high possibility that China Great Wall would provide very strong support to Great Wall Intl if needed. This mainly considers China Great Wall’s direct full ownership of Great Wall Intl, and its strategic importance as the only overseas platform of China Great Wall, as well as their high integration and strong linkage. The company focuses on its core business of distressed asset management, backed by the onshore and offshore coordination within the group.

The Stable Outlook reflects our expectation that Great Wall Intl’s strategic importance would remain intact while China Great Wall will continue to ensure Great Wall Intl’s stable operation.

At the same time, Lianhe Global has also upgraded following issuance ratings:

The senior unsecured USD notes, issued by Great Wall Intl’s wholly-owned subsidiary, China Great Wall International Holdings III Limited, and unconditionally and irrevocably guaranteed by Great Wall Intl and supported by keepwell deed and liquidity support undertaking from China Great Wall upgraded to ‘AA’ from ‘AA-’.

The senior unsecured USD bonds, issued by Great Wall Intl’s wholly-owned subsidiary, China Great Wall International Holdings V Limited, and unconditionally and irrevocably guaranteed by Great Wall Intl, upgraded to ‘AA’ from ‘AA-’.

The senior unsecured USD bonds and the USD unsubordinated perpetual securities (“Perpetual Securities”), issued by China Great Wall International Holdings VI Limited, and unconditionally and irrevocably guaranteed by Great Wall Intl, upgraded to ‘AA’ from ‘AA-’.

A full list of issuance ratings is included in this rating report.

Rating Rationale

China Great Wall’s Full Ownership and Supervision: China Great Wall directly holds the full ownership of Great Wall Intl, and has close supervision over the company, including the final decision-making authority on Great Wall Intl’s major investment and financing plan, as well as the appointment of its directors and senior management. China Great Wall is one of five national AMCs. As China prioritizes debt-risk mitigation and economic stabilization, it plays an important role in resolving financial risks. Upon the equity transfer and capital increase in 2025, Central Huijin Investment Ltd. (“Central Huijin”), a wholly state-owned investment company that exercises the state’s shareholder rights in major financial institutions on behalf of the Chinese government, became China Great Wall controlling shareholder.

Primary Overseas Platform with Strong Strategic Alignment: Great Wall Intl serves as the primary overseas platform of China Great Wall, focusing on its core business of distressed asset management, backed by the onshore and offshore coordination within the group. The company plays a key role in connecting the group’s onshore business with the global market. It has been

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Applicable Criteria

Investment Holdings and Conglomerates
Rating Criteria (30 November 2023)

strengthening the collaboration with China Great Wall to build an integrated onshore and offshore platform for non-performing asset disposal and related investment and financing services.

Strong Shareholder Support: Great Wall Intl would likely receive very strong support from China Great Wall to ensure its stable operation, considering China Great Wall's full ownership of Great Wall Intl and their strong integration and linkage. China Great Wall has provided keep-well deed to Great Wall Intl's bond issuances and assisted the company in establishing relations with Chinese banks for business cooperations and funding accessibility. We expect China Great Wall to inject capital into Great Wall Intl to bolster its equity base, following its own recapitalization of RMB36.8 billion from Central Huijin.

Weak Standalone Financials: Driven by a remeasurement gain of HKD4.7 billion on previously held interests in China Minsheng Bank, Great Wall Intl reported a net profit of HKD625 million in 2025, rebounding from a net loss of HKD220 million in 2024. However, the company recorded significant net losses on its investments and impairment charges on financial assets, mainly legacy fund investments and loans to customers. In addition, the company's property portfolio suffered impairment losses amid challenging market conditions.

Driven by the company's ongoing debt reduction efforts, Great Wall Intl's total debt has maintained a consistent downward trajectory, declining to HKD21.7 billion at end-2025 from HKD33.1 billion at end-2021. This active deleveraging has correspondingly led to a meaningful decline in finance costs. However, its loan-to-value ratio remained high, while interest and expense coverage remained low owing to weak recurring investment income.

By end-2025, Great Wall Intl had cash of HKD2.1 billion and current financial assets of HKD1.6 billion, including listed equity and debt securities, against short-term debt of HKD6.8 billion. In addition, the company has access to various financing channels to support its debt repayments and business operations. At end-2025, the company had unused credit line amounting to HKD2.2 billion. We also expect Great Wall Intl to obtain financial support from China Great Wall if necessary.

Rating Sensitivities

We would consider downgrading Great Wall Intl's rating if (1) there is perceived weakening in support from China Great Wall, particularly due to its reduced strategic importance, or (2) there is a significant reduction of China Great Wall's ownership of Great Wall Intl, or (3) there is a rating downgrade on China Great Wall.

We would also consider downgrading the issuance ratings of the Perpetual Securities if there is perceived increasing possibility of coupon/principal deferrals.

We would consider upgrading Great Wall Intl's rating if there is a rating upgrade on China Great Wall.

Full List of Issuance Rating

A full list of Issuance rating is included below. Any rating action on Great Wall Intl's rating would result in a similar rating action on rated debt instruments:

- USD300 million 2.875% senior unsecured bonds due 2026 upgraded to 'AA' from 'AA-'
- USD500 million 3.875% senior unsecured notes due 2027 upgraded to 'AA' from 'AA-'
- USD200 million 6.375% senior unsecured bonds due 2028 upgraded to 'AA' from 'AA-'
- USD450 million 5.250% senior unsecured bonds due 2028 upgraded to 'AA' from 'AA-'
- USD500 million 2.375% senior unsecured bonds due 2030 upgraded to 'AA' from 'AA-'
- USD300 million 7.150% perpetual securities upgraded to 'AA' from 'AA-'

Company Profile

Great Wall Intl is a direct, wholly-owned subsidiary of China Great Wall and serves as the group's primary offshore platform. The company focuses on its core business of distressed asset management, backed by the onshore and offshore coordination within the group. Additionally, its business scope encompasses fixed income, equity, and real estate investments, alongside financial intermediary services.

China Great Wall is one of five national AMCs that has the access to nationwide market and one of twenty-six central financial enterprises in China. It primarily engages in the acquisition and disposal of distressed assets, and participates in restructuring of distressed enterprises. Upon the completion of equity transfer and capital increase in 2025, Central Huijin holds approximately 94.343% of China Great Wall.

Great Wall Intl's Key Financial Metrics

| HKD million | 2023 | 2024 | 2025 |
|--|--------|--------|--------|
| Total Assets | 23,715 | 22,604 | 22,291 |
| Total Debt* | 23,812 | 22,846 | 21,713 |
| Net Profit | 441 | (220) | 625 |
| LTV Ratio (%) | 102.3 | 103.3 | 97.2 |
| Incomes to interest and operating expenses (x) | 0.9 | 0.6 | 1.0 |
| Total debt to incomes (x) | 22.6 | 39.8 | 24.5 |
| Net Profit to Average Equity (%) | 17.1 | (9.9) | 29.4 |
| Short-term Debt / Total Debt (%) | 29.1 | 39.8 | 31.2 |
| Liquid Assets to Short-term Debt (x) | 1.2 | 0.7 | 0.5 |

Source: Great Wall Intl and Lianhe Global's calculations

*Including perpetual securities

Appendix: Great Wall Intl's Rating Factors

| Rating Factors | Weight | Initial Rating |
|--|--------------|--------------------|
| I. Investment Strategy and Risk Appetite | 15.0% | bb |
| II. Governance and Management | 5.0% | bbb |
| III. Portfolio Quality and Diversity¹ | 40.0% | bb+ |
| IV. Financial Structure and Flexibility² | 40.0% | bb- |
| Stand-Alone Creditworthiness | | bb |
| External Support | | Very Strong |
| Issuer Credit Rating | | AA |

Source: Lianhe Global

Notes:

1. Contains sub-factors of Asset Concentration, Geographic Diversity, Business Diversity, Asset Quality and Valuation

2. Contains sub-factors of Financial Policy, Debt Servicing Capability, Liquidity and Funding

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