Xiamen International Investment Limited

Summary	
Issuer Rating	A-
Outlook	Stable
Location	China
Industry	Investment Holdings
Date	14 July 2026

Analysts

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Applicable Criteria
Investment Holdings and Conglomerates Rating Criteria (30 November 2023)
Banking Rating Criteria (23 March 2023)

Lianhe Ratings Global Limited ("Lianhe Global") has affirmed 'A-' global scale Long-term Issuer Credit Rating of Xiamen International Investment Limited. ("XIIL"); The Outlook is Stable.

Summary

The Issuer Credit Rating reflects our expectation of a high possibility that Xiamen International Bank Co., Ltd. ("XIB", 'A-'/Stable) would provide very strong support to XIIL if needed. This mainly considers XIB's 100% direct ownership of XIIL and XIIL's strategic role as the group's sole offshore investment platform, holding controlling stakes in Macao-based Luso International Banking Ltd. ("LIB"), and Hong Kong-based Chiyu Banking Corporation Ltd ("CYB"). XIB is the largest city commercial bank in Fujian Province and an important state-owned financial institution under the administration of the Fujian Provincial Government.

The Stable Outlook reflects our expectation that XIIL would maintain its strategic importance to XIB, while XIB will continue to support XIIL's stable operation.

Key Rating Rationales

Strong Shareholder Support: XIB has a proven track record of providing financial support to XIIL. Between 2017 and 2020, XIB conducted multiple rounds of capital injections into XIIL to acquire CYB and bolster its capital base, totaling HKD6.4 billion. In 2025, XIB further reinforced its strong commitment by injecting an additional HKD2.17 billion into XIIL, enhancing its capital base to HKD8.6 billion by end-2025. Furthermore, XIB continues to actively back XIIL's major external financing activities. Given XIIL's strategic importance, we expect XIB's support to XIIL to remain intact.

Sole Offshore Platform Driving Strong Group Synergies: As XIB's sole offshore investment platform, XIIL is wholly owned and closely integrated into the parent bank's management framework. XIIL holds controlling stakes in LIB and CYB, two pivotal subsidiary banks that form the cornerstone of XIB's unique business profile. Benefiting from their historical roots established by prominent overseas Chinese leaders, both LIB and CYB possess a well-established client base and deep ties within the overseas Chinese community. These offshore subsidiaries differentiate XIB from its domestic regional peers by empowering the group to deliver comprehensive cross-border financial solutions, thereby reinforcing its international strategic positioning and driving strong synergies between its onshore and offshore operations.

Improved Leverage and Liquidity: XIIL's assets predominantly consist of its equity investments in LIB and CYB. The company has mainly relied on its internal funds, funding from its parent, and bank loans to support its investments and operations. The capital injection in 2025 significantly improved XIIL's financial leverage and liquidity profile. By utilizing the injected capital to repay bank borrowings, XIIL drove its total debt down to HKD6.1 billion at end-2025 from HKD8.1 billion at end-2024 and reduced its LTV (total debt over the value of investment portfolio) ratio to 36.4% from 48.8% over the same period. The company also maintains highly resilient funding channels given its good repayment track record and strong shareholder support.

Subsidiary Performance Rebound: The performance of XIIL's subsidiary banks showed a clear recovery in 2025. LIB returned to profitability, reporting a net profit of MOP36 million (2024: net loss of MOP871 million) supported by a rebound in net interest income. CYB's net profit increased by 47.0% year-on-year to HKD676 million, primarily driven by the growth in net interest income and fee and commission income, as well as reduced impairment charges.

XIIL's standalone investment income, mainly derived from dividends, was modest affected by the operating pressure at its subsidiaries. Yet supported by XIB's capital injection and recover of subsidiary banks' profitability, its interest and expense coverage ratio improved to 0.6x in 2025 from 0.3x in 2024. We expect the coverage ratio to continue improving gradually as the subsidiaries' profitability strengthens.

Rating Sensitivities

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

We would consider upgrading XIIL's rating if there is a rating upgrade on XIB.

Company and Investment Profile

XIIL is a wholly-owned subsidiary of XIB and serves as the group's sole offshore investment platform. XIB is the largest city commercial bank in Fujian Province and an important state-owned financial institution under the administration of the Fujian Provincial Government. As a pure-play investment holding company, XIIL's core assets consist of its controlling stakes in two pivotal offshore banks: a 56.42% stake in LIB and a 69.63% stake in CYB.

Operating for over 50 years, LIB is a major commercial bank in Macao. After recording consecutive net losses in 2023 and 2024, LIB successfully returned to profitability in 2025, reporting a net profit of MOP 36 million. However, the bank's asset quality remained under pressure (end-2025: 3.11%), reflecting the challenging operating environment of the Macao banking sector, where the overall NPL ratio reached 4.90% at end-2025. At end-2025, its capital adequacy ratio was 16.85%.

Deeply rooted in the local market for nearly 80 years, CYB is a well-established medium-sized bank in Hong Kong. CYB demonstrated strong earnings momentum in 2025, with its net profit surging by 47.0% year-on-year to HKD 676 million. Its asset quality improved significantly, with the NPL ratio declining to 2.76% at end-2025 from 4.45% at end-2024. The bank maintains a good capital adequacy ratio was 19.42% at end-2025.

XIIL's Key Financial Metrics

HKD million	2023	2024	2025
Total assets	13,617	15,956	15,979
-Cash	458	692	623
Total debt	5,429	8,059	6,111
-Short-term debt	80	2,010	62
Value of the investment portfolio	13,102	15,094	15,094
Investment incomes	326	105	247
Interest and expenses	389	417	434
Net profit	(62)	(311)	(174)
LTV Ratio (%)	37.9	48.8	36.4
Interest and expense coverage (x)	0.8	0.3	0.6
Total Debt / investment income (x)	16.6	76.8	24.8

Short-term debt / total debt (%)	1.5	24.9	1.0
Cash / short-term debt (x)	5.8	0.3	10.1

Source: XIIL and Lianhe Global's calculations

Appendix I: LIB and CYB's Summary Financials and Key Ratios

LIB's Summary Financials and Key Ratios			
(MOP million)	**2023**	**2024**	**2025**
Total Assets	**226,324**	**201,716**	**208,092**
- Loans and advances to customers	117,234	101,602	107,719
- Investment in securities	89,227	71,311	77,578
Total Liabilities	**211,128**	**186,083**	**191,827**
- Customer deposits	147,336	140,682	149,939
Operating Income (before impairment)	**1,546**	**1,527**	**2,000**
- Net interest income	1,235	662	1,313
- Net fee and commission incomes	516	373	349
Net charge for impairment losses on financial instruments	946	1,170	982
Operating expense	1,122	1,142	1,034
Net Profit	**(433)**	**(871)**	**36**
Profitability			
ROA (%)	-	-	0.02
ROE (%)	-	-	0.22
Capital Adequacy			
Capital adequacy ratio (%)	14.45	16.82	16.85
Core tier-1 capital adequacy ratio (%)	6.81	7.93	7.62
Loan Quality			
Non-performing loans (%)	3.09	2.76	3.11
Provision coverage ratio (%)	63.25	61.70	51.50
Liquidity and Funding			
Loan to deposit ratios (%)	80.78	73.42	73.01
Ratio of solvency assets to basic liabilities (%)	34.79	37.84	42.18

Source: LIB and Lianhe's calculations

CYB's Summary Financials and Key Ratios			
(HKD million)	**2023**	**2024**	**2025**
Total Assets	**184,652**	**179,247**	**187,741**
- Advances to customers and trade bills	89,934	76,442	79,439
- Investment in securities	70,251	75,112	73,195
Total Liabilities	**166,383**	**161,037**	**168,951**
- Customer deposits	146,718	138,851	147,118
Operating Income (before impairment)	**2,290**	**3,135**	**3,476**
- Net interest income	1,577	1,987	2,187
- Net fee and commission incomes	605	399	600
Net charge of impairment allowances	659	1,158	948
Operating expense	1,380	1,402	1,636

Net Profit	177	460	676
Profitability			
ROA (%)	0.10	0.26	0.38
ROE (%)	0.31	2.01	3.26
Capital Adequacy			
Capital adequacy ratio (%)	17.81	18.70	19.42
Core tier-1 capital adequacy ratio (%)	13.87	14.57	15.37
Loan Quality			
Non-performing loans (%)	2.31	4.45	2.76
Provision coverage ratio (%)	36.24	19.23	37.47
Liquidity and Funding			
Loan to deposit ratios (%)	61.80	55.35	54.49
Liquidity coverage ratio (%)	179.21	178.75	179.85

Source: CYB and Lianhe's calculations

Appendix II: XIIL's Rating Factors

Rating Factors	Weight	Initial Rating
I. Investment Strategy and Risk Appetite	15.0%	bbb
II. Governance and Management	5.0%	bbb
III. Portfolio Quality and Diversity[1]	40.0%	bb+
IV. Financial Structure and Flexibility[2]	40.0%	bb+
Stand-Alone Creditworthiness		bb+
External Support		**Very Strong**
Issuer Credit Rating		**A-**

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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