

Research Update:

# Wan Hai Lines Ltd. Ratings Affirmed At 'twA/twA-1'; Outlook Stable

April 28, 2025

## Rating Action Rationale

Taiwan Ratings Corp. today affirmed its 'twA' long-term and 'twA-1' short-term issuer credit ratings on **Wan Hai Lines Ltd.** The outlook on the long-term rating is stable

The ratings continue to reflect Wan Hai's leading position in the intra-Asia container shipping market, supported by the company's comprehensive network coverage and high frequency service. This, along with Wan Hai's satisfactory operating efficiency underpin more stable profitability relative to long-haul players. Tempering these competitive strengths are the high industry risk brought about by chronic oversupply and intense competition in the containership market. Meanwhile, Wan Hai's increasing exposure to more competitive long-haul routes with a smaller operating scale and the company's relatively weaker, albeit improving cost structure on these routes could constrain Wan Hai's overall margin.

The ratings also incorporate our view that Wan Hai will maintain a net cash position in 2025-2026, supported by the company's high cash balance. This is despite Wan Hai's weakening profitability and continuous capital expenditure needs to purchase new vessels over the same period.

## Related Criteria & Research

### Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology - April 04, 2024
- Criteria | Corporates | General: Corporate Methodology - January 07, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities - January 07, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions - November 19, 2013
- General Criteria: Methodology: Industry Risk - November 19, 2013
- General Criteria: Principles Of Credit Ratings - February 16, 2011

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Related Research

– Taiwan Ratings' Ratings Definitions – November 11, 2021

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Ratings List

Ratings Affirmed

Wan Hai Lines Ltd.

Issuer Credit Rating	twA/Stable/twA-1
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