Research Update:

Hotai Finance Co. Ltd. Ratings Affirmed At 'twAA-/twA-1+'; Outlook Stable

July 23, 2026

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA-' long-term and 'twA-1+' short-term issuer credit ratings on **Hotai Finance Co. Ltd.** The outlook on the long-term rating is stable.

The ratings on Hotai Finance reflect a high likelihood of support from the company's financially stronger parent, Hotai Motor Co. Ltd., if needed, given the company's core group status and importance to the parent. The ratings also reflect the company's strong business position in Taiwan's auto finance market and strong capitalization relative to risk profile on a consolidated basis. Counterbalancing factors include Hotai Finance's moderate risk control framework compared to local banks, and the company's wholesale funding dependence.

Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - May 05, 2026
- General Criteria: Hybrid Capital: Methodology And Assumptions - October 13, 2025
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - December 09, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology - December 09, 2021
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Principles Of Credit Ratings - February 16, 2011
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023

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Ratings List

Ratings Affirmed	
Hotai Finance Co. Ltd.	
Issuer Credit Rating	twAA-/Stable/twA-1+