

Research Update:

TCC Group Holdings Co. Ltd. Ratings Affirmed At 'twA+/twA-1'; Outlook Stable

July 4, 2024

(Editor's note: In the original version published July 4, 2024, we made a typographical error in the overview section. This has no impact on the ratings. A corrected version follows.)

Rating Action Overview

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

The ratings reflect TCC's position as the largest cement producer in Taiwan, Portugal, and Turkey, and satisfactory market position in focused provinces in southern China, as well as TCC's improved diversity into non-cement businesses and expanded geographic footprints for its cement business. The ratings also reflect the company's good financial flexibility underpinned by valuable land and investment properties. TCC's still-significant exposure to China's volatile cement market, moderately high cyclical in the commoditized cement industry, and still-weak profitability at its green-related businesses constrain the ratings. In addition, we forecast that TCC's debt will stay relatively high to support its significant investment appetite, which will keep the ratio of debt to EBITDA at 2.5x-3.0x in 2024-2025.

Related Criteria & Research

Related Criteria

- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- 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: Hybrid Capital: Methodology And Assumptions - March 02, 2022
- 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

(Unless otherwise stated, these articles are published on www.taiwanratings.com)

Ratings List

Ratings Affirmed

TCC Group Holdings Co. Ltd.

Issuer Credit Rating	twA+/Stable/twA-1
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