



Media Release

RAM Ratings affirms AA₃ rating of reNIKOLA Solar's ASEAN Green SRI Sukuk

RAM Ratings has affirmed the AA₃/Stable rating of reNIKOLA Solar Sdn Bhd's (the Issuer) RM390 mil ASEAN Green SRI Sukuk Programme (the Sukuk), reflecting the projected stable and steady debt coverages that are underpinned by strong energy output and consolidated cash flow from three solar photovoltaic plants (the Plants) with a combined capacity of 63.912 MWac, owned separately by sister companies of the Issuer (the project companies). The Plants benefit from favourable power purchase agreement terms with Tenaga Nasional Berhad (issues rated AAA/Stable by RAM), the sole offtaker.

Project Company	Commercial Operation Date	Location	Plant Capacity (Mwac)
RE Arau Sdn Bhd* (Arau)	Mar-18	Perlis	3.996
RE Gebeng Sdn Bhd (Gebeng)	Jan-20	Pahang	29.916
RE Pekan Sdn Bhd (Pekan)	Jun-21	Pahang	30.000

**formerly known as SBU Power Sdn Bhd*

The Plants achieved full availability for the third consecutive year in 2024, without any major disruptions, underscoring sound operations and maintenance (O&M) practices. Consolidated net energy output (NEO) reached 133,503 MWh, equivalent to 94.7% of the declared annual quantity and 7.9% above RAM's estimates. Outperformance was driven primarily by the Gebeng plant which delivered output 10.6% above expectations, while the Pekan plant continued to contribute over half of consolidated NEO. For 10M 2025, aggregate output exceeded seasonally prorated estimates by 5.9%, despite sub-optimal weather conditions in the first half of the year. We expect the Plant's energy output to remain stable for the remainder of 2025.

Following sukukholders' approval, O&M responsibilities were transitioned to reNIKOLA Management Sdn Bhd. The terms remained largely consistent but achieved lower annual operating expense of up to RM0.4 mil. Key personnel from the previous operator were retained to ensure continuity. reNIKOLA Management also manages two additional 30 MWac solar PV plants operated by related entities – RE Kuala Muda Sdn Bhd and RE Machang Sdn Bhd.

RAM's sensitivity analysis factors in lower NEO and higher operating and capital expenditure limits. Under these assumptions, the Plants are projected to generate average consolidated cash flow of RM33.5 mil per annum over the Sukuk's tenure, with strong annual post-distribution minimum and average finance service coverage ratios of 1.61 times and 1.92 times, respectively. As with other solar farms, key risks

include solar irradiance variability, regulatory and force majeure risks, moderated by insurance and the modular nature of the Plants.

The Issuer is a wholly owned subsidiary of reNIKOLA Holdings Sdn Bhd, itself 55% owned by reNIKOLA Sdn Bhd and 45% by B. Grimm Power Sdn Bhd. The Intercompany Financing Agreements between the Issuer and each project company govern the fund flows, supporting timely profit and principal payments.

Analytical contacts

Lai Jing Wei
(603) 2708 8239
jingwei@ram.com.my

Chong Van Nee, CFA
(603) 2708 8210
vannee@ram.com.my

Media contact

Sakinah Arifin
(603) 2708 8212
sakinah@ram.com.my

Date of release: 19 November 2025

The credit rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment on the security's market price or its suitability for a particular investor, nor does it involve any audit by RAM Ratings. The credit rating also does not reflect the legality and enforceability of financial obligations.

RAM Ratings receives compensation for its rating services, normally paid by the issuers of such securities or the rated entity, and sometimes third parties participating in marketing the securities, insurers, guarantors, other obligors, underwriters, etc. The receipt of this compensation has no influence on RAM Ratings' credit opinions or other analytical processes. In all instances, RAM Ratings is committed to preserving the objectivity, integrity and independence of its ratings. Rating fees are communicated to clients prior to the issuance of rating opinions. While RAM Ratings reserves the right to disseminate the ratings, it receives no payment for doing so, except for subscriptions to its publications.

Similarly, the disclaimers above also apply to RAM Ratings' credit-related analyses and commentaries, where relevant.

Published by RAM Rating Services Berhad
© Copyright 2025 by RAM Rating Services Berhad