

POWER INSIGHT :

Towards A Greener Future

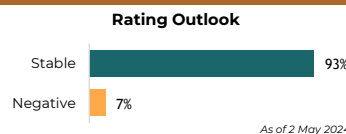
RAM Ratings has a **positive** outlook on the Malaysian power sector as energy transition gains momentum from green and sustainable investments. Led by the National Energy Transition Roadmap (NETR), the government is ramping up the deployment of various utility-scale renewable energy (RE) projects and providing investor-friendly frameworks to spur RE plant-ups. Policy continuity, the financial resilience of key industry enablers and access to funding are critical to achieving the net zero target. With NETR expecting to garner cumulative investments of up to RM1.3 tril by 2050, Malaysia's debt capital market will continue to play a vital role.

Power bonds and sukuk issuances set to rise in line with energy transition opportunities

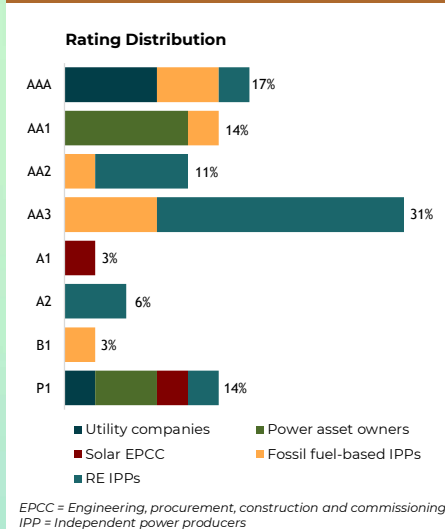


Source: Bond Pricing Agency Malaysia
Note: The dip in 2019 was skewed due to the absence of new issuances from utility companies.

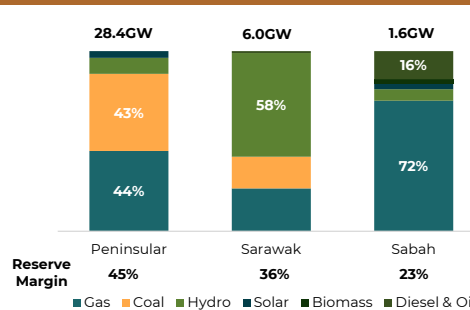
RAM's power portfolio largely stable



Highly rated and diverse portfolio

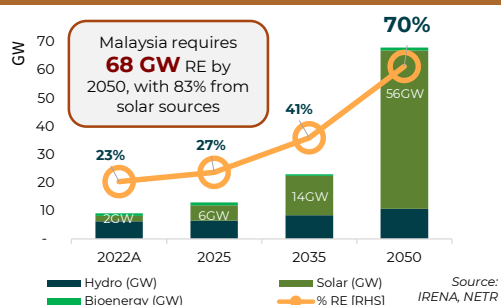


Snapshot of Malaysia's Installed Capacity in 2022



- Peninsular:** Greening the power sector a primary focus
- Sarawak:** Well-poised as a green energy hub
- Sabah:** Energy security an immediate priority

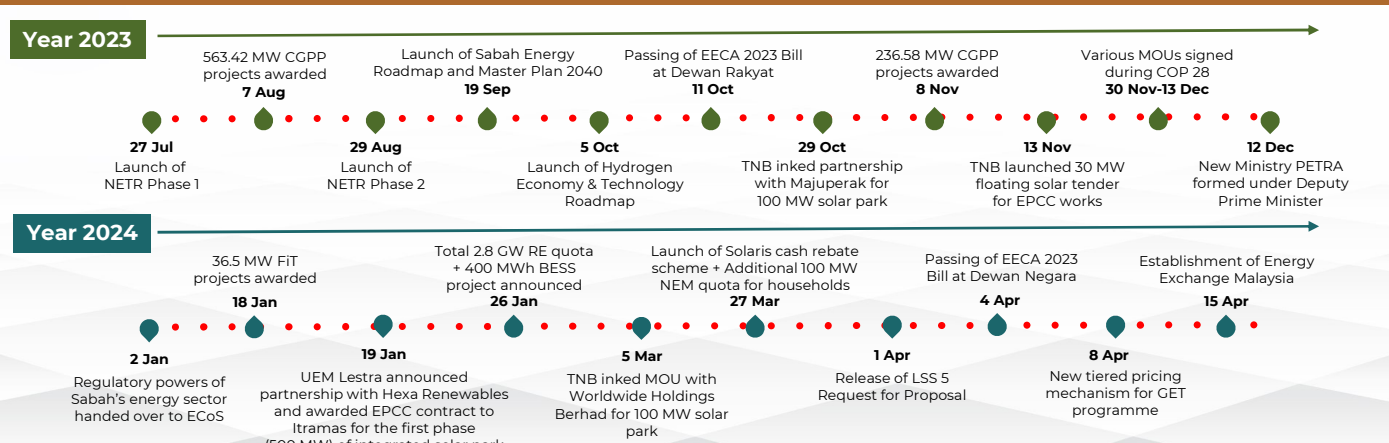
Solar to lead RE development



Total RE quota stands at 9.3 GW, utility-scale projects to drive growth



NETR ignites a surge of green initiatives



Source: Various news articles
EECA: Energy Efficiency Conservation Act, MOU: Memorandum of Understanding, PETRA: Ministry of Energy Transition and Water Transformation, ECoS: Energy Commission of Sabah, BESS: Battery energy storage system, GET: Green electricity tariff