



CENERGI SEA BERHAD
(REG. NO: 200801009156 (810444-W))

GREEN SUKUK ANNUAL REPORT

31 DECEMBER 2024



A. INTRODUCTION

1.0 Cenergi SEA Berhad's Sukuk Issuance

Issuance of Senior Islamic Medium-Term Note ("Senior Sukuk Wakalah") and/or Subordinated Perpetual Islamic Notes ("Perpetual Sukuk Wakalah") under a combined Islamic notes issuance programme up to an aggregate amount of RM1.5 billion in nominal value (collectively referred to as "Sukuk Wakalah") based on the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Programme").

Utilisation of Proceeds as at 31 December 2024:



2.0 RAM Rating

Cenergi's corporate credit ratings and the issue ratings of its Sukuk Programme was stable for the year at AA₃/Stable/P1, reflect its steadily growing, albeit still small-sized, renewable energy (RE) business, largely from its leading position in the biogas industry.

Meanwhile, the rating of the Senior Sukuk at AA₃/Stable equates to its long-term corporate credit ratings while the Perpetual Subordinated Sukuk is rated two notches below at A₂/Stable to reflect increased loss severity and the risk of non-performance relative to senior financing obligations (refer to Table 1).

Rating Type	Ratings	Rating Action
Corporate Credit Ratings	AA ₃ /Stable/P1	Reaffirmed
Issue Ratings		
- Senior Sukuk	AA ₃ /Stable	Reaffirmed
- Subordinated Perpetual Sukuk	A ₂ /Stable	Reaffirmed

Table 1: RAM Rating based on RAM's Credit Rationale as at 24 October 2024

B. ALLOCATION REPORT

1.0 Details of Green Sukuk Wakalah (by tranches)

On 23 December 2021, Cenergi had issued two (2) tranches of Green Sukuk Wakalah with aggregate nominal value of RM210.0 mil from its RM1.5 bil Sukuk Programme. Details of the Green Sukuk Wakalah as below:

TRANCHE 1

Type of Projects	:	Biogas, Solar and Energy Efficiency
Country of Issuance/Origination	:	Malaysia
Nominal Amount	:	RM85.0 mil
Subscription Price	:	RM84.1 mil
Profit Rate	:	5.30% p.a.
Issue Date	:	23 December 2021
Tenure	:	5 years
Bond/Sukuk Listing	:	Not Listed
Green/Social/Sustainability Bond	:	Green
RAM Assigned Ratings	:	A ₁ /Stable

TRANCHE 2

Type of Projects	:	Biogas, Solar and Energy Efficiency
Country of Issuance/Origination	:	Malaysia
Nominal Amount	:	RM125.0 mil
Subscription Price	:	RM123.2 mil
Profit Rate	:	5.55% p.a.
Issue Date	:	23 December 2021
Tenure	:	7 years
Bond/Sukuk Listing	:	Not Listed
Green/Social/Sustainability Bond	:	Green
RAM Assigned Ratings	:	A ₁ /Stable

Aggregate Nominal Amount = RM210.0 mil

Total Subscription Price = RM207.3 mil

B. ALLOCATION REPORT (CONT'D)

2.0 List of Eligible Assets (by category):

Biogas 	RM112.7 mil Allocated RM112.7 mil Expenditure	Acquiring, developing, operating and/or maintaining projects related to the capture and conversion of methane into biogas, including biogas-to-electricity projects using Palm Oil Mill Effluent ("POME") and other agricultural waste, and biogas projects using municipal solid waste or
Solar 	RM72.4 mil Allocated RM72.4 mil Expenditure	Acquiring, developing, operating and/or maintaining solar projects including utility-scale solar farms and behind-the-meter solar photovoltaic projects (e.g. self-consumption and net energy metering).
Energy Efficiency 	RM17.3 mil Allocated RM17.3 mil Expenditure	Acquiring, developing, operating and/or maintaining Energy Efficiency projects including cogeneration/combined heat and power systems and waste-heat recovery systems.
Refinance Cost 	RM3.2 mil Allocated RM3.2 mil Expenditure	Refinancing existing projects, commissioned from year 2016 onwards
Other Renewable Energy 	N/A Allocated N/A Expenditure	Acquiring, developing, operating and/or maintaining projects related to the capture and conversion of methane into biogas, including biogas-to-electricity projects using Palm Oil Mill Effluent ("POME") and other agricultural waste, and biogas projects using municipal solid waste or waste sludge.

Total allocated and expensed amount: RM205.6 mil

Unallocated Proceeds

The balance of unallocated Green Sukuk proceeds amounting to RM1.7 mil is being held in cash or cash equivalents and/or being allocated to temporary investment in money markets and other liquid marketable instruments, all of which shall be Shariah-compliant.

B. ALLOCATION REPORT (CONT'D)




3.0 Details of Eligible Assets:

Category / Project Name	Project Company	Installed Capacity (MW)	Net Export Capacity (MW)	Expenditures (RM'000)
(a) Biogas				
(1) Cheekah	Cenergi Cheekah Sdn. Bhd.	1.10	1.00	3,275
(2) Sri Jelutong	Cenergi Sri Jelutong Sdn. Bhd.	1.40	1.30	3,751
(3) Pantai Remis	Cenergi Pantai Remis Sdn. Bhd.	1.50	1.40	6,094
(4) Tennamaram	Cenergi Tennamaram Sdn. Bhd.	1.60	1.60	10,821
(5) FJP	Cenergi FJP Sdn. Bhd.	1.50	1.50	9,290
(6) Chersonese	Cenergi Chersonese Sdn. Bhd.	1.20	1.00	7,735
(7) Sri Ganda	Cenergi Sri Ganda Sdn. Bhd.	2.40	2.00	13,945
(8) West	Cenergi West Sdn. Bhd.	1.60	1.40	8,965
(9) Sua Betong	Cenergi Sua Betong Sdn. Bhd.	1.20	1.20	9,128
(10) Astana Endah	Cenergi Endah Sdn. Bhd.	1.20	1.00	7,952
(11) Yong Peng	Bell Cenergi YP Sdn. Bhd.	2.40	2.00	13,997
(12) Elphil	Cenergi Elphil Sdn. Bhd.	1.20	1.00	8,058
(13) Langkap	Cenergi Langkap Sdn. Bhd.	1.60	1.50	9,675
Total for Biogas		19.90	17.90	112,686
(b) Solar				
(1) IRM Solar	IRM Solar Sdn. Bhd.	5.00	5.00	21,462
(2) Marudu Power	Marudu Power Sdn. Bhd.	1.00	1.00	5,777
(3) Digital Awan	Digital Awan Sdn. Bhd.	1.00	1.00	5,501
(4) Aerospace Composites Malaysia	CSES Rooftop Alpha Sdn. Bhd.	3.00	2.50	4,913
(5) Tanah Makmur Berhad	Cenergi Sunseap Energy Solutions Sdn. Bhd.	0.04	0.04	187
(6) HP Malaysia Manufacturing	Cenergi Sunseap Energy Solutions Sdn. Bhd.	2.70	2.20	4,919
(7) Rompin Integrated Pineapple	Cenergi Sunseap Energy Solutions Sdn. Bhd.	0.49	0.40	727
(8) Inokom	Cenergi Solar Sdn. Bhd.	1.21	0.95	1,802
(9) De Rhu Resort	Cenergi Solar Sdn. Bhd.	0.46	0.35	832
(10) Texchem-Pack (M) Sdn Bhd	Cenergi Solar Sdn. Bhd.	0.62	0.60	1,901
(11) Texchem Corporation Sdn Bhd	Cenergi Solar Sdn. Bhd.	0.30	0.20	1,352
(12) @Mart Kempas	Cenergi Solar Sdn. Bhd.	0.36	0.28	687
(13) NEDA Sg. Tiang	NEDA Power (Sg. Tiang) Sdn. Bhd.	11.30	8.00	22,330
Total for Solar		27.48	22.52	72,390
(c) Energy Efficiency				
(1) IIUM	Cenergi EE Sdn. Bhd.	n.a.	n.a.	17,315
Total for Energy Efficiency		n.a	n.a	17,315
Total Expenditures of Eligible Assets				202,391

Table 2: Details of eligible assets under Tranche 1 and 2 of Sukuk Programme

C. IMPACT REPORTING AS AT 31 DECEMBER 2024

Based on the eligible assets listed in Table 2, the impact as below:

Biogas				
	19.90 MW RE installed capacity	112,796 MWh RE production	620,077^(a) tCO₂e GHG Emissions Avoidance	109^(c) Job creation
Solar				
	27.48^(b) MW RE installed capacity	19,925 MWh RE production	14,841 tCO₂e GHG Emissions Avoidance	21^(c) Job creation
Energy Efficiency				
		19,878 MWh Energy Savings	15,385 tCO₂e GHG Emissions Avoidance	2 Job creation

Note:

- (a) GHG emissions avoidance from biogas includes avoidance from both methane capture and grid electricity displacement
- (b) Includes 11.30 MWh RE installed capacity for NEDA Sg Tiang
- (c) Job creation for Biogas and Solar includes HQ – Main Office and project plants.

Methodology:

Greenhouse Gases (“GHG”) emissions avoidance is based on actual performance and is calculated based on Clean Development Mechanism (“CDM”) methodologies:

1. Renewable Electricity Generation for Captive Use and Mini-Grid – AMS I.D (Biogas, Solar and Energy Efficiency)
2. GHG emissions avoidance due to methane capture is based on CDM methodology – AMS III.H (Biogas)

Assumption:

1. Biogas, Solar and Energy Efficiency Emission Factor applied by Cenergi: 0.774 tCO₂e per MWh (Peninsular), 0.525 tCO₂e per MWh (Sabah) is based on 2022 Grid Emission Factor for Malaysia by Suruhanjaya Tenaga.
2. GHG emissions avoidance from biogas is calculated based on: (a) Project Emissions [from biogas methane capture and biogas-to-electricity generator] MINUS (b) Baseline Emissions [without methane capture or grid displacement].