



Media Release

RAM Ratings upgrades Exsim Capital's Tranche 2 IMTN to AAA/Stable given fully cash-backed position following CCC/VP

RAM Ratings has upgraded the rating of Exsim Capital Resources Berhad's (Exsim Capital or Issuer) RM323 million Tranche 2 IMTN from AA₂ to AAA and revised the outlook on the rating from positive to stable.

The rating action reflects the Tranche 2 IMTN's fully cash-backed position amid the ongoing delivery of vacant possession (VP) to the buyers of D'Quince Residences and D'Vervain Residences (securitised projects under Tranche 2). Notably, both projects obtained certificates of completion and compliance (CCC) on 18 June 2024, well ahead of the original estimated VP dates in August/September 2024, although delayed from the initially targeted 1Q 2024 owing to obstruction from installation of external water reticulation system, drainage and road works. As at 15 July 2024, the transaction's total cash balances of RM201 million in the HDA Accounts were more than sufficient to meet outstanding construction-related costs and outstanding principal and profit of Tranche 2 up to its expected maturity date of 9 January 2025. The transaction is therefore no longer exposed to construction risks.

The Tranche 2 IMTN was issued under Exsim Capital's RM2 bil Sukuk Musharakah Programme, established to monetise progress billings originated from identified development projects of Exsim Development Sdn Bhd or its subsidiaries. To date, there are three other outstanding tranches under the programme (see [here](#)).

Analytical contact

Lim Chern Yit
(603) 3385 2528
chernyit@ram.com.my

Media contact

Sakinah Arifin
(603) 3385 2500
sakinah@ram.com.my

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