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HSBC and Leader Energy announce VND 593B financing to expand Leader Energy Group's renewable energy portfolio in Vietnam

HSBC finances Malaysian company's newly acquired solar project Vinh Hao 6 in Vietnam

The deal underscores HSBC's strong ASEAN network and cross-border collaboration to bring value to clients

(Ho Chi Minh City) – HSBC Bank (Vietnam) Ltd. (HSBC Vietnam) and Malaysian Leader Energy Holding Berhad (Leader Energy), a wholly owned subsidiary of HNG Capital, have signed a VND 593 billion financing to support the development of Leader Energy's solar projects in Vietnam. This transaction marks the Bank's second transaction for Leader Energy in the country, following a financing of a hydropower plant in 2017.

HSBC acted as the sole lender of the seven-year committed term loan for Leader Energy. The loan will be used to support the refinancing of Vinh Hao 6 (VH6), a newly acquired 50MW solar power plant under Leader Energy.

Located in Binh Thuan province, the project entered into commercial operation since 2019, generating 100% of its revenue from the sale of electricity to Electricity of Vietnam (EVN) at the Feed-in-Tariff (FiT) of 9.35 cents/kwh under 20-year Power Purchase Agreement (PPA). The project generates 83,000MWh electricity thereby offsetting 75,131 t of carbon dioxide emissions (CO₂) a year.

VH6 has been fully acquired by Leader Energy since 2023. The acquisition reaffirms Leader Energy's commitment of 500MW+ of renewable energy assets in Vietnam.

The deal also showcases the renewable energy potential of Vietnam given the country's conducive conditions and its Government's pledge to achieve net zero by 2050. Following this commitment made at COP26, Vietnam aims to double down on energy transition as the sector accounts for more than half of its greenhouse gas emissions. Furthermore, the country's natural resources offer potential to attract more investments into the growing renewable energy sector.

Jenny Ng, Group Chief Financial Officer, Leader Energy: "We are pleased with the successful refinancing of our Vinh Hao 6 in Binh Thuan province. The refinancing arrangement, secured through HSBC Vietnam with close collaboration with HSBC Malaysia has offered more favourable term.

This strategic financial decision demonstrates our solid financial footing, commitment in maintaining a strong financial foundation and our focus on sustainable growth. The

confidence shown by our financial partners is a testament to the robustness of our financial management, the underlying asset and our ability to deliver. Contributing to the energy transition is a key component of Leader Energy's strategy to mitigate climate change and promote sustainable development. The Group is expanding its renewable energy portfolio to fulfil its commitment to achieving net zero greenhouse gas emissions by 2050."

Ahmed Yeganeh, Country Head of Wholesale Banking, HSBC Vietnam said: "We are proud to continue supporting Leader Energy in its efforts to decarbonise Vietnam's energy sector. Our relationship with Leader Energy spans over 45 years and we have supported their growth and expansion, including their transition towards the renewable energy sector in multiple countries in ASEAN and in Taiwan. This deal demonstrates how the financial sector can play an active role in unlocking the renewable energy potential for Vietnam while supporting the sustainable growth ambition of businesses".

The success of this transaction highlights HSBC's strong ASEAN connectivity, offering a seamless banking experience through a close collaboration between HSBC Vietnam and HSBC Malaysia.

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Notes to Editors:

HSBC Bank (Vietnam) Ltd.

HSBC has been in Vietnam for over 150 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and four transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and two full-service branches in Binh Duong and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, product range, and customer base.

Leader Energy Holding Berhad

Leader Energy Holding Berhad together with its subsidiaries and jointly controlled entities ("Leader Energy Group" or "Group") is an independent power producer ("IPP") primarily engaged in the development, ownership, operation and maintenance of power assets and projects. Leader Energy Group's history in the power industry dates back to 1994 following its first IPP project in Cambodia which subsequently paved the way to venture into the power generation business. Leader Energy Group has a strong track record of about 30 years with its diverse portfolio in power assets and projects in addition to its geographical footprint in seven countries across Southeast Asia and Taiwan, offering a competitive edge in undertaking new renewable energy projects in line with the Group's aspiration to transit towards net zero greenhouse gas emissions by the year 2050.

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