

NEWS RELEASE 2023

UOB Malaysia launches U-Solar 2.0 to support the entire value chain of Malaysia's solar industry

The Bank expects 50 per cent growth in its sustainable financing for solar in the next 12 months, backed by the country's increasing demand for solar energy

Kuala Lumpur, Malaysia, 22 March 2023 – UOB Malaysia today launched U-Solar 2.0, an expansion to its existing U-Solar programme, to access to sustainable financing for local solar engineering, procurement, construction and commissioning (EPCC) contractors and developers.

Launched in October 2019, U-Solar is Asia's first integrated solar energy financing platform that powers the development and adoption of renewable energy across Southeast Asia. U-Solar offers a suite of financial solutions to encourage businesses and consumers to switch power and drive the adoption of renewable energy in Malaysia. The latest enhancement will expand the programme's offerings to industry across the entire solar value chain.

The programme will ensure a smooth flow of financing with improved payment terms for solar contractors and developers to help them meet growing demand for solar energy¹, while connecting them to leading equipment suppliers across the region.

Ms Ng Wei Wei, Chief Executive Officer, UOB Malaysia said, "Since the launch of U-Solar, we have provided close to RM1 billion in solar financing for corporates, small- and medium-enterprises (SMEs), and homeowners. We expect to boost our sustainable financing for solar energy by 50 per cent in the next 12 months, driven by the favourable outlook of the solar energy industry and the government's strong push towards renewable energy."

"We will also continue to focus heavily on our efforts with the relevant associations and government bodies to help SMEs embrace sustainable energy. Their participation in the low carbon economy is crucial to the country's net zero ambition. With the expanded programme, we look forward to supporting the solar ecosystem players in seizing new opportunities and accelerate the development of the country's green sector."

Connecting the whole solar (eco)system

U-Solar 2.0 will provide contractors and developers with extended payment terms when they purchase from the programme's approved equipment suppliers. Part of the programme's suite of solutions is green trade financing. This is designed to address cash flow issues and capital gaps for developers and contractors who typically have longer projects receivable terms and may face short payment terms from equipment suppliers. With U-Solar 2.0, they will be able to finance the purchase of equipment and work on multiple solar projects simultaneously, speeding up the rate of solar adoption in the region.

This end-to-end collaborative approach aims to drive sales volumes for equipment suppliers. It will also connect qualified contractors with end-users looking to install solar panels. Today, nine equipment suppliers – Antai, Canadian Solar, Fimer, Huawei, JA Solar, Jinko Solar, LONGi, SunPower and Trina Solar, joined the U-Solar programme to provide quality solar modules and inverters to developers and contractors in Malaysia. UOB also joined the programme as a distributor to facilitate greater and more efficient trade activities within the solar ecosystem.

UOB also offers exclusive packages to both businesses and homeowners through partnerships with nine EPCC contractors in Malaysia. The list includes the latest five additions which came on board today, namely - eLeaps, GSPARX, Hasilwan, Pekat and Samaiden.

As of 31 December 2022, the U-Solar programme has helped facilitate the generation of almost 307 gigawatt hours of solar power in Malaysia. This translates to a greenhouse gas reduction of 204,000 tonnes of carbon dioxide equivalent, amounting to almost 3.4 million trees grown for 10 years and about 44,000 cars taken off the road for a year.

U-Solar 2.0 – Supporting SMEs in their decarbonisation journey

Ms Ng said, "Switching to solar energy is one of the most effective ways to decarbonise. However, we recognise that SMEs need financial assistance to support their green transition needs which is why we have allocated RM1 billion under our U-Green financing programme. We also offer non-financial support such as awareness and knowledge workshops under our partnership with the Malaysian Research Accelerator Technology and Innovation (MRANTI). We have been supporting SMEs for over seven decades and our holistic support will continue to ensure they will remain competitive on the global front."

Eligible SMEs and mid-sized companies looking at installing solar panels at their premises under the U-Solar programme can tap on the U-Solar financing with a guarantee of up to 80 per cent from Syarikat Jaminan Pembiayaan Perniagaan Malaysia (SJPP)².

For more information on U-Solar and its EPCC contractors, please visit uobgroup.com/u-solar-my.

¹ According to the *Malaysia Solar Energy Market - Growth, Trends, COVID-19 Impact, And Forecasts* ([/safeguard/3rd-party-news-release-mordorintelligence.html](https://safeguard3rd-party-news-release-mordorintelligence.html)), the energy market in the country is expected to grow more than 9 per cent annually from 2022 to 2027.

² Please see news release: 'UOB Malaysia partners SJPP to provide RM1 billion in green financing to SMEs' (<https://www.uob.com.my/about/news/2022/news-release-19.page>), 19 September 2022