

List of Entities on Rating Watch for 1st Quarter 2024 (period covering 01.1.2024 – 31.3.2024)

No	Issuer / Entity	Issue size & Instrument	Last rating action	MARCWatch	Subsequent rating action	Chronology on MARCWatch
1	YNH Property Berhad (YNH)	RM700 million Islamic Medium Term Notes ("Sukuk Wakalah") Programme	BBB+	Negative	The rating has been on MARCWatch Negative since January 18, 2024, due to YNH's weak liquidity position vis-à-vis its financial obligations, compounded by further delays in sale of assets that would have provided a much-needed cash infusion.	January 18, 2024 - placed on MARCWatch Negative
2	YNH Property Berhad (YNH)	RM700 million Islamic Medium Term Notes ("Sukuk Wakalah") Programme	BBB-	Negative	<p>On April 8, 2024, MARC Ratings extended its MARCWatch Negative placement on YNH following a rating downgrade to BBB-. The rating action reflects MARC Ratings' heightened concerns on YNH's continued weak financial position, the lack of meaningful earnings visibility, and the protracted delays in asset disposals.</p> <p>YNH has an outstanding RM323.0 million under the rated programme, of which the first tranche of RM153.0 million will mature on February 28, 2025. YNH is in technical default as it has failed to deposit the second monthly payment of RM6.1 million due on March 28, 2024, as part of the build-up in the reserve account. The trustee has granted a one-month grace period for YNH to deposit the payment by April 26, 2024.</p> <p>MARC Ratings notes that YNH has appointed a chairman for its audit committee and external auditor, Morison LC PLT, in March 2024. It has entered into a sales and purchase agreement (SPA) with Sunway REIT to purchase its 163 Retail Park mall in Mont Kiara for RM215.0 million following the termination of an SPA with</p>	April 8, 2024 – Extension of MARCWatch Negative

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					<p>a third party. Other planned disposals, the 5.1-acre parcel in Desa Sri Hartamas and the AEON mall in Manjung, Perak, continued to be delayed, while unbilled sales from limited ongoing projects remain modest relative to its financial obligations. The rating agency will closely monitor the developments in YNH and provide updates accordingly.</p>	