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## CAPEX: PBAPP Allocates RM631 Mln For Water Projects In Penang For 2026



GEORGE TOWN, April 2 (Bernama) -- The Penang Water Supply Corporation (PBAPP) plans to invest RM631 million in capital expenditure (CAPEX) to implement various water supply projects throughout this year, making it the largest annual allocation in the history of water services in the state.

Its chief executive officer, Datuk K.Pathmanathan said of this amount, about RM387 million or 61.3 per cent is allocated for five critical infrastructure projects under the Water Contingency Plan 2030 (WCP 2030).

"First, the construction of the Taman Mengkuang Water Treatment Plant (WTP) with a capacity of 114 million litres per day (MLD) and related piping work. This WTP in Central Seberang Perai (SPT) is the third component under the WCP 2030, which is scheduled to be completed by the end of this year.

"When it begins operations, the status of the Expanded Mengkuang Dam (EMD), with a capacity of 86,400 million litres, will change from 'strategic drought reserve dam' to 'dual-function dam'," he said in a statement today.

He said the second project is the land acquisition for the Sungai Perai WTP, with a capacity of 136 MLD, which is part of the Sungai Perai Water Supply Scheme and a component under the WCP 2030, and is scheduled for completion in 2031.

Pathmanathan said the next project is the land acquisition for the expansion project at the Sungai Dua WTP with a capacity of 1,342 MLD in Seberang Perai Utara (SPU) and the land acquisition and piping works for the treated water pipeline with a diameter of 1,800 mm from the Macallum area to Bukit Dumbar.

He said the fifth project is the land acquisition for the Sungai Muda WTP, with a capacity of 114 MLD in SPU, which aims to treat more water in the area for distribution in the affected areas, scheduled for completion in 2031.

Commenting further, he said the remaining 39 per cent of the CAPEX allocation would be used for various pipe installation or replacement projects; meter replacement projects to support the improvement of non-revenue water (NRW) management; WTP upgrading projects; and the construction of new water tanks in Bukit Penara and Bukit Dumbar.

Pathamanathan also said that in the interim financial report, PBA Holdings Bhd (PBAHB), the publicly listed holding company for PBAPP, recorded an unaudited profit after tax (PAT) of approximately RM115 million for the financial year 2025.

"After the dividend payment to PBAHB shareholders, approximately RM100 million from the 2025 PAT will be directly reinvested as PBAPP's CAPEX for 2026.

"PBAPP plans to finance the remaining RM531 million from the 2026 CAPEX allocation through the issuance of Islamic Medium Term Notes (IMTN) under the RM5 billion PBAPP sukuk programme," he added.

-- BERNAMA