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Media Release 2: PBA Holdings Bhd (PBAHB) 26th Annual General Meeting

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WHO BENEFITS MORE FROM PBAPP AND PBAHB'S PROFITS?

- **2024 profit after tax (PAT): RM144.17 million. Reinvestment into water projects for Penang in 2025: RM72.67 million (50%).**
- **2025 PAT: RM114.55 million. Reinvestment allocation for Penang water projects in 2026: RM99.55 million (87%).**

PENANG, Tuesday, 16.6.2026: In 2025, PBA Holdings Bhd (PBAHB) invested about 50% of its 2024 profit after tax (PAT) of RM144.17 million into water projects in Penang.

In 2026, PBAHB is allocating about 87% of its 2025 PAT of RM114.55 million as capital expenditure (CAPEX) for water projects for the benefit of Penang.

These facts and figures show that that Penang's 721,066 water consumers are the main beneficiaries of PBAHB's annual PAT, which is largely derived from the sale of water and the provision of water supply related-services by PBAPP.

In comparison, the total dividend that PBAHB will pay out to shareholders for the 2025 financial year will be RM16.55 million, or 14.45% our PAT for 2025.

Kindly note that PBAPP and PBAHB are Penang State Government-linked companies (State GLCs). PBAHB's largest shareholder is "State Secretary Penang" (SSP), a State Government entity which holds 55% of 330.993 million shares.

The chairman of PBAPP and PBAHB is YAB Tuan Chow Kon Yeow, the Chief Minister of Penang. The other non-executive directors include YB Dato' Dr Mohamad bin Abdul Hamid, the Deputy Chief Minister I (DCM I), YB Tuan Jagdeep Singh Deo a/l Karpal Singh (DCM II) and State Executive Councillor YB Tuan Zairil Khir Johari.

YAB Tuan Chow and his colleagues do not hold any shares in PBAHB. Hence, the annual dividends earned by SSP also "goes back" to the Penang community as funding for state projects.

Projects for the Future

Towards 2030, PBAPP will invest RM659.3 million to complete 2 new water treatment plants (WTPs) while an additional two WTPs will be undertaken by PAAB at an estimated cost of RM1.023 billion in Seberang Perai. These new Water Contingency Plan 2030 (WCP 2030) plants will increase PBAPP's maximum water treatment design capacity by 478 million litres per day (MLD).

PBAPP will also invest an additional RM416 million to lay 2 new WCP2030 pipelines to deliver more treated water from the Sungai Dua WTP to Penang Island.

Penang aspires to become "a family-friendly, green and smart state that inspires the nation." As things stand in 2026, major socioeconomic developments are already underway, or in the horizon, to support this Penang2030 vision, including:

- Factory projects by Intel, Osram, Siliconware Precision and Western Digital;
- Large-scale property development projects by E&O Berhad, Hunza Properties and PLB Land;
- Batu Kawan Industrial Park 3 (BKIP3), PERDA's 5,000 new homes in Seberang Perai Utara (SPU), PDC's Linear Waterfront Development in Bayan Lepas, Silicon Island A and at least 6 other property development projects in Seberang Perai.

All of these factories, industrial parks, retail and business premises and new homes in Penang must be supported by sufficient water supply.

Penang's water consumption was 865 million litres per day (MLD) in 2025. It is projected to increase by 34.3% to about 1,162 MLD by 2032. This is main reason why PBAPP must undertake an estimated RM1.075 billion (excluding 2 WTP under PAAB) to complete the WCP 2030 over the next 5 to 6 years.

RM5 billion sukuk programme

PBAPP and PBAHB's annual profits are insufficient to fund the water infrastructure projects that Penang needs urgently by Year 2030.

As such, PBAPP has launched its inaugural RM5.0 billion sukuk programme, supported by a "AAA/Stable" rating from RAM Rating, the leading sukuk credit rating agency in Malaysia.

The sukuk programme provides complementary financing for the WCP 2030 projects. It also ensures that PBAPP has sufficient CAPEX for other water projects and a strong operational expenditure (OPEX) buffer to sustain continuous good water supply in Penang, in an age of climate change and global economic uncertainty.

In forward-planning, PBAPP must ensure that taps do not run dry in 2030 at all costs, as Penang continues to progress towards a brighter future.

Penang is the primary beneficiary

So, the people who live in Penang, and businesses who operate here, are the primary beneficiaries of PBAPP and PBAHB's annual profits. These profits are largely reinvested as CAPEX for water projects in Penang, for the benefit of Penang and its people.

Thank You.

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