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## Citaglobal acquires 70percent stake in Perak hydro plants

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**KUALA LUMPUR:** Citaglobal Bhd made a landmark entry into Malaysia's hydropower sector with the acquisition of majority stakes in two hydropower projects in Perak for RM15 million. This move diversifies its renewable energy (RE) portfolio and demonstrates its commitment to Malaysia's vision for a low-carbon economy through structural energy reforms and the increased use of renewable energy.

Through its wholly owned subsidiary Citaglobal Renewable Energy Sdn Bhd, the deal involves the acquisition of 70% equity interest in Zeqna Corporation Sdn Bhd for RM15 million, and 70% equity interest in Koridor Mentari Sdn Bhd for RM1, conditional upon the completion of Zeqna acquisition.

This acquisition positions Citaglobal to capture immediate renewable energy revenue from the Slim Hydropower Plant, a proven brownfield hydropower asset in Slim, Perak while the Kampar Hydropower Plant project — with all state-level approvals secured — is poised to generate robust returns on an accelerated timeline. Together, these projects will enhance the group's recurring

➤ Strategic move delivers immediate recurring annual revenue and accelerates expansion of group's RE business

revenue base and reinforce its standing as a key player in Malaysia's clean energy transition.

The two hydropower assets are projected to generate up to RM19 million in recurring annual revenue under long-term Renewable Energy Power Purchase Agreements (REPPA) with Tenaga Nasional Bhd (TNB), sustaining Citaglobal's earnings base well into the future.

Citaglobal Bhd executive chairman and president Tan Sri (Dr) Mohamad Norza Zakaria said the acquisition of the Slim Hydropower Plant, a revenue-generating brownfield asset, alongside the Kampar Hydropower Plant, a high-potential, fully approved greenfield project, accelerates the expansion of our renewable energy business by several years.

He added the Slim Hydropower Plant will provide the group with an

immediate source of recurring revenue, while Kampar Hydropower Plant, benefitting from its newly approved capacity and tariff, promises to deliver exceptional long-term value.

Together, he said they provide a well-balanced platform for scaling their clean energy portfolio, which includes solar, waste-to-energy, and battery energy storage projects.

Norza said: "Perak is an emerging renewable energy hub and represents an ideal launching pad for our venture into the hydropower sector. The state is strategically suited for hydropower development, thanks to its topography, river hydrology, and robust grid infrastructure. We look forward to working with the Perak Hydro Renewable Energy Corporation, the Perak state government and other stakeholders to accelerate the development of

the hydropower projects across the state."

These acquisitions are expected to boost Citaglobal's recurring revenue base, deliver predictable returns, and re-enforced the group's renewable energy portfolio.

Citaglobal expects to reap further returns from the new Feed-in Approval for the Kampar Hydropower Plant, due to the larger approved capacity and higher tariff, the refinancing of existing borrowings at more competitive financing costs, as well as the sale of Renewable Energy Certificates (RECs).

These acquisitions are expected to strengthen Citaglobal's foothold in the hydropower sector and further diversify its position by tapping into a wider pipeline of investments and projects across the clean energy landscape. This strategy will reduce the risk of over-investing in any single sector while boosting the stability of shareholder returns. It will also underpin a more resilient earnings base and reinforce Citaglobal's role in advancing Malaysia's target of achieving 70% renewable energy by 2050.