

Headline	Mtronic selling RM300m of electricity to TNB		
MediaTitle	Malay Mail		
Date	21 Feb 2017	Language	English
Circulation	100,000	Readership	300,000
Section	Money	Page No	31
ArticleSize	209 cm <sup>2</sup>	Journalist	N/A
PR Value	RM 5,208		



# Mtronic selling RM300m of electricity to TNB

**KUALA LUMPUR** — Metronic Global Bhd (Mtronic) said it is spearheading its entry in the photovoltaic business, with plans to sell RM300 million worth of electricity to Tenaga Nasional Bhd (TNB).

In its bid to move forward in the construction of a solar photovoltaic plant (SPP) which will be based in Kelantan, Mtronic's subsidiary Bonanza Partners Sdn Bhd (BPSB) entered into an memorandum of understanding (MoU) with World Housing Mering (M) Sdn Bhd (WHM) last Friday.

This MoU was in response to the granting of a conditional letter of approval to BPSB from the Unit Perancang Ekonomi Negeri Kelantan to gazette a piece of land located at Bandar Baru Tok Bali, Mukim Semerak, Daerah Semerak, Jajahan Pasir Puteh and measuring 231 acres located for the SPP project.

BPSB and WHM will participate in the construction of the solar plant.

Mtronic also said it is offering 10% of shares from BPSB to WHM, as part of a long term investment plan, which will be at a mutually agreed price upon the reception of a power purchase agreement (PPA) from TNB.

Mtronic chief executive officer Vincent Set Hin Fook said, "We are planning to develop a SPP on the land mentioned above with the capacity of 50 Megawatt (MW) and extendable to 250MW.

"Our team will kick off on this project preparation latest by this second quarter. We are expecting a growth of at least 35% for our order book once the SPP project starts to generate income for the company.

"The cumulative revenue of the SPP project is estimated to be between RM300 million to RM1.5 billion within the next 15 years time depending on the capacity of the plant," he said.

The BPSB is expected to be generating stable and recurring income for Metronic through the sale of electricity to TNB pursuant to the securing of the PPA from the Malaysian power giant.

BPSB is a joint venture (JV) company between Metronic and Halimuza Corporation Sdn Bhd (HCSB).

The shareholding structure for the JV company is 70% for Metronic, and 30% HCSB.

The photovoltaic market is growing rapidly in many segments and applications due to various reasons such as their environmental-friendly attributes, minimum maintenance, and cost saving.

Major market players are investing heavily in PV technology.

Furthermore, many governments are also providing various incentives and funding to this market, said Mtronic in a media release.

Pursuant to the SPP Project, the responsibility of Mtronic and BPSB were to acquire the said land from the state government and obtain necessary documentation and approvals from the relevant authorities and government departments.

WHM role was to identify the technical partner turnkey contractor, e.g Shanghai Electrical Power Construction Co Ltd and/or other qualified companies. WHM also will source and arrange for the project financing.