

Headline	TNB serves winding up petition on Perwaja Steel		
MediaTitle	The Edge Financial Daily		
Date	22 Sep 2016	Language	English
Circulation	15,000	Readership	50,000
Section	Home Business	Page No	9
ArticleSize	37 cm <sup>2</sup>	Journalist	N/A
PR Value	RM 1,356		



## TNB serves winding-up petition on Perwaja Steel

**Tenaga Nasional Bhd (Sept 21, RM14.40)**

**Maintain buy call with an unchanged target price (TP) of RM16.80:** Tenaga Nasional Bhd (TNB) has served three winding-up petitions on Perwaja Holdings Bhd's unit Perwaja Steel Sdn Bhd for outstanding amounts owed to TNB. In August, TNB demanded total payment of RM131 million from Perwaja Steel, and the latter was given 21 days to settle the amount, failing which, winding-up proceedings would be instituted. It was reported that Perwaja Holdings had in February 2014

signed a settlement agreement with TNB to settle a sum of RM164 million in the form of monthly instalments. However, Perwaja Steel failed to meet its obligations given that it had ceased operations. This resulted in TNB terminating the settlement agreement and demanding all remaining outstanding amounts from Perwaja Steel.

Perwaja Steel is now contesting TNB's petition since it is in the midst of finalising a proposed regularisation plan. A provision would not change our view much. — *MIDF Research, Sept 21*