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PBA Pays RM13 Million Water Intake Fee To Penang State For FY2025



PBA Holdings Bhd (PBAHB) has announced that its wholly owned subsidiary paid RM13.22 million in raw water intake fees to the Penang state government for the financial year ended Dec 31, 2025.

The company said Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) incurred a total water intake fee of RM13,222,336 in 2025. The fee was calculated at a rate of three sen per cubic metre based on the annual actual water production volume for the year.

The water intake fee is imposed by the State Government of Penang and is classified as a recurrent related party transaction (RRPT) under Bursa Malaysia's Main Market Listing Requirements.

The transaction is deemed related as the State Secretary, Penang (SSI), a body corporate representing the Penang state government, holds a 55% stake in PBA Holdings as at end-2025.

The company noted that the water intake fee is revenue in nature and necessary for PBAPP's day-to-day operations, and that the terms are not more favourable to the related party than those generally available to the public, nor detrimental to minority shareholders.

On Dec 26, 2024, the Penang state government notified the company that the water intake fee rate would be maintained at three sen per cubic metre for the period from 2025 to 2028.

PBA Holdings said the RRPT does not affect its issued share capital or substantial shareholders' shareholdings and is not expected to have any material impact on the group's net assets or earnings for FY2025.