

**Published on 08/08/2015**

## **SPCG will move solar assembly facility to Korat**

SET-listed SPCG Plc, Thailand's biggest solar power operator in terms of capacity, will relocate its solar module assembly to Nakhon Ratchasima from Nonthaburi, citing limited expansion opportunity under the latter's city plan.

The move will cost 500 million baht, chairman and chief executive Wandee Khunchornyakong said.

Total capacity will rise to 500 megawatts by 2017, up from 280 MW now. The first production line, scheduled to start up in early 2016, will handle up to 100 MW.

The expansion plan will tap rising solar demand in Asean.

"Although global oil prices are declining sharply, reducing the production cost of electricity, many governments in the region are still concerned about carbon dioxide emissions, so solar power remains in a good trend," Ms Wandee said.

The new facility is a 50:50 joint venture between SPCG and Japan's Kyocera Corporation.

The relocation falls under the 2014-18 capital expenditure budget of 5 billion baht.

SPCG is in talks with solar farm licence holders to produce a further 30 MW and bring total capacity to 310 MW by year-end.

As part of an international expansion, the company plans to announce a joint venture with three firms to develop three solar sites in Japan with a combined capacity of 130 MW.

SPCG, a large Japanese solar module maker and a local Japanese bank will each own one-third of the venture, whose projected cost is 13 billion baht.

In the Philippines, the Thai company plans to merge with local businesses to ease the process of seeking a solar farm licence.

In Myanmar, SPCG is joining in a 50:50 venture with a local business to develop a solar farm in Mandalay.

The company expects revenue growth of 15% to 5 billion baht this year.

Ms Wandee said the solar farm business would remain in strong in Thailand under the national power development plan to increase solar power to 6,000 MW by 2036 from 1,600 MW now.

Meanwhile, SPCG yesterday signed a memorandum of understanding with SET-listed property developer Quality Houses Plc (QH) to install solar rooftops.

The solar rooftop area of the houses will range from 22-80 square metres at a cost of 300,000 to 820,000 baht each.

The panels will generate up to 10 kilowatts of power per 4.5 hours a day.

QH develops 1,500 new houses each year and has 10,000 existing units.

SPCG shares closed yesterday on the SET at 24.60 baht, up 20 satang, in trade worth 25.3 million baht.

QH shares closed at 2.30 baht, unchanged, in trade worth 25.7 million baht.

