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## **Padaeng to set up biomass power plant**

Padaeng Industry (PDI) plans to invest in renewable energy and take steps to establish its first biomass power plant.

Meanwhile, the company announced a net profit of Bt387 million for the first half of this year, up 23 per cent from Bt314 million in the same period last year, managing director Francis Vanbellen said.

He noted that the average London Metal Exchange zinc price was US\$2,138 per tonne in the first half, compared with \$2,051 in the same period of 2015, while the company's strict operating- and capital-expenditure programmes remained in place and unchanged. Meanwhile the baht depreciated against the dollar.

In addition, the company continued to utilise its own Mae Sot feed to optimise its raw-material mix, which had a favourable impact on its costs. Sales and administrative expenses in the first half increased thanks to new provisions for additional personnel, in accordance with the Mae Sot mine closure expected in 2017, as well as expenses related to new business developments.

Vanbellen said the company was exploring major changes, and would continue to move towards green business for sustainable growth in the years to follow.

The business is now focused on three main activities. These are PDI Energy, which provides energy from renewable sources, PDI Materials, which provides added-value materials from recycling, and PDI Eco, which provides raw materials through the eco-management of waste materials, and utilises PDI's existing zinc-production operations.

The company says its renewable-energy project, which produces 9.5 megawatts of biomass energy at its power plant in Surat Thani, has progressed well. The plant uses empty fruit bunches from the palm-oil industry as fuel, and the proper technology, qualified engineers, and construction subcontractors have been deployed.

The project has secured a power purchase agreement and is currently preparing construction and development, which will be initiated next quarter. The project is expected to be ready for commercial operation in 2017.

